

121. By Mr. SMITH of West Virginia: Resolution of the New River Coal Operators Association, of Mount Hope, W. Va., urging that Congress remove crude petroleum and fuel oil from free entry into the ports of the United States; to the Committee on Ways and Means.

SENATE

MONDAY, DECEMBER 14, 1931

The Chaplain, Rev. ZēBarney T. Phillips, D. D., offered the following prayer:

Eternal God, who art our refuge and strength, a very present help in time of trouble, without whom life is naught, help us this day to a more intimate knowledge of our better self, a swifter recognition of all that is best in our human heritage, that encompassed by Thy love and illuminated by Thy light we may rise above life's mediocre levels to those heights where intuition, transfigured by the dawning of Thy purpose, yields her magic bloom.

By the divine alchemy of Thy grace, purify our hearts, sanctify our reason, unify our aims, clothe us with humility, remove all mordant strife, and help us to love as brethren dedicated to the Nation's weal, that in this day of the world's great need we may further the coming of Thy kingdom in the hearts of men and peace and prosperity among the nations of the world. Through Jesus Christ our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of the proceedings of Thursday last, when, on request of Mr. Fess and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Haltigan, one of its clerks, announced that the House had passed a joint resolution (H. J. Res. 72) to permit the temporary entry into the United States under certain conditions of alien participants and officials of the Third Olympic Winter Games and of the games of the Tenth Olympiad to be held in the United States in 1932, in which it requested the concurrence of the Senate.

EXPENSES OF SIXTEENTH SESSION, INTERNATIONAL GEOLOGICAL CONGRESS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the inclosed report from the Secretary of State to the end that legislation may be enacted to authorize an appropriation of \$85,000 for the expenses of the sixteenth session of the International Geological Congress to be held in the United States in 1933.

HERBERT HOOVER.

THE WHITE HOUSE, December 14, 1931.

COURTS IN THE PHILIPPINE ISLANDS

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on the Judiciary:

To the Congress of the United States:

I transmit herewith two related bills enacted by the Eighth Philippine Legislature during its second session and approved by the Governor General of the Philippine Islands. They are:

S. No. 261. "An act defining the jurisdiction of the Supreme Court of the Philippine Islands, creating a court of

appeals and defining its jurisdiction, and providing for other purposes"; and

S. No. 155. "An act concerning the judiciary; making provision regarding the court of appeals created by act entitled 'An act defining the jurisdiction of the Supreme Court of the Philippine Islands, creating a court of appeals and defining its jurisdiction, and for other purposes'; providing appropriation for said court of appeals; applying the provisions of certain sections of the Revised Administrative Code to said court of appeals, and for other purposes."

Briefly, the purpose of the two acts was to relieve congestion in the work of the Supreme Court of the Philippine Islands by the creation of an intermediate court of appeals between the courts of first instance and the Supreme Court of the Philippine Islands.

Act S. No. 261 purports to diminish the present jurisdiction of the Supreme Court of the Philippine Islands through transfer of certain of that jurisdiction to the proposed court of appeals. Under section 26 of the organic act of the Philippine Islands the act can not take effect without the prior approval of Congress.

The related act, S. No. 155, provides for the organization of the proposed court of appeals if, and when, authorized by Congress. It contemplated no express approval by Congress of its provisions.

The acts in question are transmitted as indicative of the form and substance of legislation which, at the time of the passage of the acts by the Philippine Legislature, was deemed advisable by that body. Subsequent, however, to the passage of these acts the Philippine Legislature passed legislation relative to the Supreme Court of the Philippine Islands which received the approval of the Governor General, and which does not require action by the Congress. That legislation (Act No. 3816, December 8, 1930) authorized an increase in the personnel of the supreme court, the jurisdiction of the court remaining unchanged.

It is believed that existing legislation affords adequate provision for meeting present needs. It is accordingly recommended that neither Act S. No. 261 nor Act S. No. 155 receive the approval of Congress.

HERBERT HOOVER.

THE WHITE HOUSE, December 14, 1931.

WITHDRAWALS AND RESTORATIONS OF PUBLIC LANDS

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of the withdrawals and restorations of public lands under the act of June 25, 1910, during the period December 1, 1930, to November 30, 1931, inclusive, which, with the accompanying papers, was referred to the Committee on Public Lands and Surveys.

SPECIAL REPORT OF EXPENDITURES, FIVE CIVILIZED TRIBES

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a letter from the Superintendent of the Five Civilized Tribes Agency, containing a special report of expenditures of that agency from the appropriation "Support of Indians and Administration of Indian property, 1931," which, with the accompanying report, was referred to the Committee on Indian Affairs.

LABOR TURNOVER IN MANUFACTURING FIRMS

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Labor, transmitting, in compliance with Senate Resolution 430, third session, Seventy-first Congress, a report of the Commissioner of Labor Statistics showing percentage changes in the number of employees and size of pay rolls of certain manufacturing firms or plants from June, 1929, to December, 1930, etc., which, with the accompanying report, was referred to the Committee on Manufactures and ordered to be printed.

REPORTS OF THE LIBRARIAN OF CONGRESS

The VICE PRESIDENT laid before the Senate a communication from the Librarian of Congress, transmitting, pursuant to law, his annual report to the Congress, together

with the annual report of the Register of Copyrights for the fiscal year ended June 30, 1931, which, with the accompanying reports, were referred to the Committee on the Library.

REPORT OF THE TEXTILE FOUNDATION

The VICE PRESIDENT laid before the Senate a communication from the chairman of the Textile Foundation, submitting, pursuant to law, and on behalf of the board of directors, a report of the proceedings, activities, income, and expenditures of the Textile Foundation for the fiscal year ended December 31, 1930, which, with the accompanying report, was referred to the Committee on Education and Labor.

"PROHIBITION AND SUBSTITUTION PLAN"

The VICE PRESIDENT laid before the Senate a letter from Joseph Battaglia, of New York City, N. Y., submitting a pamphlet entitled "Prohibition and Substitution Plan," which, with the accompanying pamphlet, was referred to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following joint resolution of the Legislature of the State of New Jersey, which was referred to the Committee on Commerce:

STATE OF NEW JERSEY.

Senate Joint Resolution 15 (introduced March 23, 1931, by Mr. Powell)

A joint resolution memorializing the Congress of the United States to construct a ship canal across the State of New Jersey from Raritan Bay to the Delaware River, at a point near the head of navigation

Whereas an inland waterways system has been provided along the entire Atlantic coast with the exception of the short distance through the State of New Jersey; and

Whereas the construction of a ship canal through the State of New Jersey will complete said inland waterways system; and

Whereas the State of New Jersey has heretofore appropriated considerable money for the acquisition of the right of way for such canal, and has from year to year reappropriated said moneys; and

Whereas the State of New Jersey has been and still is ready and willing to furnish the right of way for such canal in accordance with representations heretofore made to the Federal Government: Therefore be it

Resolved by the Senate and General Assembly of the State of New Jersey—

1. That the Congress of the United States is hereby memorialized and requested to appropriate a sufficient sum of money to construct a ship canal across the State of New Jersey from Raritan Bay to the Delaware River, at a point near the head of navigation, upon a right of way to be furnished by this State; be it further

2. *Resolved*, That a copy of this resolution be transmitted to the Vice President of the United States, to the Speaker of the House of Representatives, and to each Member in the Senate and House of Representatives of the United States from the State of New Jersey.

3. This joint resolution shall take effect immediately.

The VICE PRESIDENT also laid before the Senate a joint resolution of the Legislature of the State of Wisconsin, memorializing the Congress to enact legislation for unemployment reserves and compensation on a nation-wide basis, which was referred to the Committee on Education and Labor. (See resolution printed in full when presented to-day by Mr. BLAINE.)

The VICE PRESIDENT laid before the Senate a letter from Richmond P. Hobson, jr., of New York City, N. Y., submitting his suggestions and a plan for the relief of unemployment, etc., which was referred to the Committee on Education and Labor.

He also laid before the Senate a communication from Adrian H. Randall, of New Orleans, La., submitting his solution of the unemployment situation, comprising the subjects of labor, money, manufacturing, transportation, and land, which was referred to the Committee on Education and Labor.

He also laid before the Senate communications of the department of industrial relations, division of labor statistics and law enforcement, State of California (State Labor Commissioner's office), relative to the labor and material bond law on Federal public works, etc., which were referred to the Committee on Education and Labor.

He also laid before the Senate a communication from William T. McKinnon and J. D. Wooten, of Los Angeles,

Calif., submitting their plan or program for the relief of unemployment, which was referred to the Committee on Education and Labor.

He also laid before the Senate letters, with accompanying matter, from E. C. Huggins, of Dalton, Ga., suggesting a plan for the relief of unemployment by imposing certain taxes and the inauguration of highway building, which were referred to the Committee on Education and Labor.

He also laid before the Senate resolutions of the Dan Colello Association (Inc.), of Jersey City, N. J., favoring the imposition of a luxury tax such as was adopted as a war measure during the World War, the income from such tax to be appropriated for the relief of the needy and unemployed throughout the country, which were referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the Board of Aldermen of the City of Chelsea, Mass., favoring the full payment of veterans' adjusted-compensation certificates (bonus), which were referred to the Committee on Finance.

He also laid before the Senate resolutions adopted by the Council of the City of Seattle, Wash., favoring the prompt and full payment of veterans' adjusted-service certificates (bonus), which were referred to the Committee on Finance.

He also laid before the Senate a resolution unanimously adopted by the campaign committee of the Regular Old Line Republican Organization at New Orleans, La., requesting that all recommendations and indorsements emanating from the National Republican Club of Louisiana and the Pelican Republican Club of Louisiana be disregarded for the reason that they both represent the Horace Mann policies and are therefore diametrically opposed to the principles of the Republican Party, etc., which were referred to the Committee on Finance.

He also laid before the Senate a telegram signed by John A. Gavryl and others (for the committee), representing 12 societies and over 2,000 cities, assembled in mass meeting at Bristol, Conn., on November 15, 1931, protesting against the deprivation to Poland of her only outlet to the sea (the Polish Corridor), and of her coal and iron mines, etc., which was referred to the Committee on Foreign Relations.

He also laid before the Senate resolutions of the committee on Cuban-American reciprocity, Cuban Chamber of Commerce in the United States (Inc.), favoring the immediate modification of the existing treaty of commercial reciprocity between Cuba and the United States so that prompt mutual aid may be extended to agriculture and industry "in this, the greatest crisis in the history of Cuban-American trade," which were referred to the Committee on Foreign Relations.

He also laid before the Senate a letter from Walter L. Mitchell, of Haines, Alaska, submitting a proposal for the purchase or lease of the Alaska Railroad, which was referred to the Committee on Territories and Insular Affairs.

He also laid before the Senate copy of a letter from G. W. Hurley, Esq., of Bakersfield, Calif., relative to the case of the El Tejon Indian chief, Juan R. Lazada, in regard to land allotments, etc., which was referred to the Committee on Indian Affairs.

He also laid before the Senate a communication from Walter von Brock, of the Pennsylvania State Hotel Association, of Stroudsburg, Pa., transmitting matter relative to a referendum vote of the Pennsylvania State Hotel Men's Association on the subject of repeal or modification of the prohibition law, showing "out of 520 votes polled in the association all but 18 favored repeal or modification," and favoring the sale of light wines and beer, etc., which, with the accompanying papers, was referred to the Committee on the Judiciary.

Mr. BLAINE presented the following resolution of the House of Representatives of the State of Wisconsin, which was referred to the Committee on Public Buildings and Grounds:

STATE OF WISCONSIN.

A resolution memorializing Congress to float a \$5,000,000,000 bond issue in aid of the unemployed

Whereas it has been suggested that if Congress were to float a \$5,000,000,000 bond issue for the purpose of speeding up public

works, there would be an early improvement in the present unsatisfactory economic conditions of thousands of the citizens of this country; and

Whereas any plan or suggestion that seeks to solve the problem of unemployment and thus bring about the return of prosperity in all lines of industrial activity and improvement in agricultural conditions is worthy of consideration: Now, therefore, be it

Resolved by the assembly, That this house hereby respectfully memorializes the Congress of the United States to enact the necessary legislation which will provide for the floating of a \$5,000,000 prosperity loan and the inauguration of a nation-wide building program of public works and internal improvements; be it further

Resolved, That properly attested copies of this resolution be transmitted to both Houses of the Congress of the United States and to each Wisconsin Member thereof.

CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

Mr. BLAINE also presented the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Education and Labor:

STATE OF WISCONSIN.

Joint resolution memorializing the Congress of the United States to enact legislation for unemployment reserves and compensation on a nation-wide basis

Whereas there is general agreement that the employees in industrial establishments should be protected by unemployment reserves in a manner similar to the reserves which industries generally set up to stabilize the dividend payments to stockholders; and

Whereas legislation to this effect ought to be national, inasmuch as the competitive situation makes it difficult for any one State to act alone in this matter: Therefore be it

Resolved by the assembly (the senate concurring), That the Legislature of Wisconsin hereby respectfully memorializes the Congress of the United States to enact national legislation requiring industries generally to establish unemployment reserves from which discharged workmen are to be compensated when unable to find other employment; be it further

Resolved, That properly attested copies of this resolution be transmitted to the presiding officers of both Houses of the Congress of the United States and to each Wisconsin Member thereof.

HENRY A. HUBER,
President of the Senate.
R. A. COBBAN,
Chief Clerk of the Senate.
CHAS. B. PERRY,
Speaker of the Assembly.
C. E. SHAFFER,
Chief Clerk of the Assembly.

Mr. JONES presented a resolution adopted by the Skagit County (Wash.) Dairymen's Association, commending the Federal Farm Board for its assistance to the farmer, which was referred to the Committee on Agriculture and Forestry.

Mr. KEYES presented a petition numerously signed by sundry citizens of the State of New Hampshire, praying for the prompt ratification of the World Court protocols, which was referred to the Committee on Foreign Relations.

Mr. TYDINGS presented petitions numerously signed by citizens of the State of Maryland, praying for the immediate cash payment in full of adjusted-service certificates (bonus), which were referred to the Committee on Finance.

He also presented a memorial numerously signed by sundry citizens of the States of Maryland and Pennsylvania, remonstrating against the proposed reduction of salaries of Government employees, which was referred to the Committee on Civil Service.

Mr. CAPPER presented resolutions adopted by Harry Easter Camp, No. 16, United Spanish War Veterans, Emporia, Kans., favoring the imposition of a tariff on crude petroleum, which were referred to the Committee on Finance.

THE WORLD COURT

Mr. CAPPER. Mr. President, I send to the desk a copy of the resolution adopted by the State convention of the Woman's Christian Temperance Union of Kansas, held at Manhattan, Kans., October 6 to 9, 1931, urging the Senate to take early action on the so-called World Court protocols, and ask that the resolution be printed in the RECORD and referred to the Committee on Foreign Relations.

There being no objection, the resolution was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

Whereas the World Court is the outstanding agency for settling international disputes by the application of the principles of international law; and

Whereas its usefulness has been proved by the acceptance of every one of the 35 decisions it has given during the nine years of its existence by the nations involved; and

Whereas the Senate in January, 1926, by a vote of 76 to 17, passed a resolution definitely providing for the entrance of this country into the World Court under five conditions; and

Whereas Secretary Stimson has officially declared that these conditions are entirely met by the three protocols, or treaties, which have for this reason been signed by the United States, by the authority of President Hoover, and now await the Senate's consent to ratification; and

Whereas the National Woman's Christian Temperance Union has for years declared its belief in the need of American participation in the World Court: Now, therefore, be it

Resolved, That the Kansas Woman's Christian Temperance Union meeting on October 6 to 9, 1931, heartily indorses early ratification of the three World Court protocols and earnestly requests the United States Senate to take favorable action upon them at the earliest practicable time; and be it further

Resolved, That the secretary of this meeting be instructed to send copies of this resolution early in the opening of the next session of the Senate to—

- (1) Every member of the Foreign Relations Committee.
- (2) Senator CAPPER, with a request that he have it printed in the CONGRESSIONAL RECORD.
- (3) Senator MCGILL.

Mr. AUSTIN presented a resolution unanimously adopted by the Vermont Bar Association, which was referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

The following resolution was unanimously adopted by the Vermont Bar Association at its annual meeting held in Montpelier, Vt., October 6, 1931:

"Whereas at a meeting of this association held on the 3d day of January, 1924, the association adopted the following resolution:

"*Resolved,* That the Bar Association of the State of Vermont join in what it believes to be the wise judgment of the American people that the United States ought to become one of the supporters of the Permanent Court of International Justice at The Hague and that our Government, therefore, should adhere to the protocol establishing the court in the manner set forth by President Harding in his message to the Senate on February 24, 1923, which recommendation was recently approved and renewed by President Coolidge in his message to Congress."

"And thereafter on January 27, 1926, the United States Senate by resolutions duly adopted did advise and consent to the adherence on the part of the United States to the said protocol and the adjoined statute for the Permanent Court of International Justice (without accepting or agreeing to the optional clauses for compulsory jurisdiction), subject to certain reservations and understandings which thereby were made a part and condition of said resolutions.

"And on March 18, 1929, a protocol for the adherence of the United States to the said Permanent Court was recommended by a committee of jurists, one of whom was the Hon. Elihu Root, providing a means for the carrying out of the reservations and understandings set forth in the Senate resolution of January 27, 1926, and this protocol was opened for signature on September 14, 1929; and

"Whereas the President has now asked the consent of the Senate to the ratification of these World Court treaties or protocols:

"1. The protocol of signature of the statute of the Permanent Court of International Justice;

"2. The protocol of accession of the United States of America to the protocol of signature of the statute of the Permanent Court of International Justice; and

"3. The protocol of revision of the statute of the Permanent Court of International Justice," which were signed by the United States on December 9, 1929;

"And since the Department of State has officially declared that by these protocols the difficulties which caused the Senate's reservations of 1926 concerning advisory opinions have been fully met;

"And since the completion of the step which the United States Senate, by its resolution of 1926, took to secure the adherence of the United States to the court is in direct line with the traditional American policy favoring the judicial settlement of certain classes of international disputes; and

"Whereas this association desires to reaffirm its position taken in 1924 relative to the United States adhering to this court and believing that the ratification by the United States of America of these protocols of the Permanent Court of International Justice is required both by the self-interest of the United States and by its natural obligation as a member of the community of nations, and that such ratification is a movement for world peace: Now, therefore, be it

"*Resolved by the Vermont Bar Association in meeting assembled in Montpelier, Vt., on the 6th day of October, 1931,*

"1. That the adherence of the United States of America to the Permanent Court of International Justice is an essential step to the maintenance of world peace, the promotion of good feeling and fellowship among the community of nations, and a step desirable in itself;

"2. That the protocols protect in all respects the interests of the United States;

"3. That therefore the three protocols should be promptly ratified by the United States of America without further amendment; be it further

Resolved, That the secretary of this association be instructed to send a copy of this resolution—

"1. To Senator DALE and Senator AUSTIN, with the respectful request to the latter that it shall be inserted in the CONGRESSIONAL RECORD;

"2. To every member of the Foreign Relations Committee of the United States Senate, whenever that committee begins the discussion of the World Court protocols, with the respectful request that they lend their influence to an early and favorable report on the protocols so the Senate may be able to vote upon them without further delay;

"3. To the outstanding papers in Vermont;

"4. To President Hoover and Mr. Stimson, Secretary of State."

Mr. ROBINSON of Arkansas. I ask leave to have printed in the RECORD and referred to the Committee on Foreign Relations resolutions adopted by the Arkansas Bar Association in 1930 and 1931, by the Arkansas Department of the American Legion, by the Arkansas Baptist Convention, by the Arkansas Federation of Women's Clubs, by the Woman's City Club of Little Rock, by the Cooperative Club of Little Rock, by the Pope County Bar Association, and sundry other organizations, all in the State of Arkansas, relating to the ratification of the protocols pertaining to the World Court.

There being no objection, the resolutions, with related matter, were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

INDORSEMENT OF RATIFICATION OF WORLD COURT PROTOCOLS BY
ARKANSAS ORGANIZATIONS
ARKANSAS BAR ASSOCIATION
1930

Resolved, That the Arkansas Bar Association heartily approves the treaty providing that this country shall give its adhesion to the World Court; a measure which will be of incalculable value in preserving peace between the nations and spreading a spirit of good will among mankind. We therefore respectfully petition the President to transmit the treaty to the Senate at the first favorable opportunity, and we respectfully urge its ratification upon the Senate.

1931

Whereas the President has now transmitted to the Senate, and asked its consent to their ratification, three World Court protocols, already signed by the United States in December, 1929; and

Whereas one of these protocols, the protocol of accession including Mr. Root's formula for the operation of the fifth reservation concerning advisory opinions, accepts the Senate's 1926 reservations subject only to certain procedural agreements and without modification or change of the reservations themselves; and

Whereas by the report of Secretary Stimson to the President, "by these protocols the dangers which seemed to inhere in the rendering of advisory opinions by the court at the time the question was last presented to the Government in 1926 have now been entirely removed"; and

Whereas the Arkansas Bar Association has, at its last three meetings, consistently urged the adherence of the United States to the World Court: Now, therefore, be it

Resolved, That the Arkansas Bar Association, in meeting assembled on May 21, urges the Senate to give its consent to the ratification of these three protocols at the earliest practicable time in order that the Senate's resolution of 1926, providing for the adherence of the United States to the Permanent Court, may become effective.

ARKANSAS DEPARTMENT OF THE AMERICAN LEGION

Whereas the American Legion advocates the adherence of the United States to the Permanent Court of International Justice; and

Whereas steps toward this end have already been taken in the Senate's passage of the resolution providing for our adherence to the World Court; and

Whereas all that remains to put this resolution into effect and complete the adherence of the United States to the court is the Senate's ratification of the three World Court protocols, which the United States has already signed; and

Whereas it is the judgment of our National Committee on Foreign Relations that Mr. Root's formula, incorporated in the protocol accepting our Senate's reservations and offering a procedure for the Senate's fifth reservation concerning advisory opinions "fully protects the interests of the United States"; Therefore be it

Resolved at a meeting of the Arkansas Legion, That we heartily approve the Senate's ratification of the three World Court protocols and hope that Senator ROBINSON and Senator CARAWAY, of Arkansas, will accurately reflect our hopes and those of thousands of their other constituents, in doing everything within their power to secure the ratification of the protocols.

ARKANSAS BAPTIST CONVENTION

Whereas the preservation of international peace is of the utmost concern to every citizen; and

Whereas it is peculiarly suitable for specifically Christian organizations to take a vigorous part in promoting the peaceful settlement of those disputes which are bound to arise between nations; and

Whereas the World Court is the outstanding agency for applying the principles of international law to the settlement of international disputes, as is indicated by the fact that the 36 decisions given by the court in the nine years of its existence have all been accepted by the nations involved; and

Whereas in 1926, the Senate, by a vote of 76 to 17, passed a resolution providing for our entrance into the World Court with five reservations; and

Whereas these reservations are, according to Secretary Stimson, entirely met by the three World Court protocols to which the signature of the United States has already been attached and which now await the Senate's ratification: Now, therefore, be it

Resolved, That the Arkansas Baptist convention, in meeting assembled hereby urges the Senate to ratify these three protocols at the earliest practicable time; and be it further

Resolved, That Senator ROBINSON be earnestly and respectfully requested to do everything in his power to further an early and favorable report upon the protocols from the Senate Foreign Relations Committee, of which he is a member, since until that committee's report is submitted to the Senate, the Senate can not vote upon ratification.

ARKANSAS FEDERATION OF WOMEN'S CLUBS

Believing that our great Nation should in these times of worldwide political and economic unrest and change take its necessary and rightful place of leadership toward world peace and international organization; and

Believing that the peaceful settlement of international disputes is a great and solemn pledge that binds our statesmen and to which the foreign policy of the United States is committed by the Kellogg-Briand pact; and

Believing that international cooperation is to-day a recognized condition of world peace, and to establish this the development of arbitration and conciliation is a first necessity, and that the rule of law must be made a common acceptance by all nations;

We, the Arkansas Federation of Women's Clubs in annual session assembled, reaffirm our State and general federations' allegiance to the great ideal of world peace and international cooperation; and

Respectfully and most earnestly urge our United States Senators, Senator ROBINSON and Senator CARAWAY, to give their full support and vote for the adherence of the United States to the World Court; and we further urge that the United States become a member of the World Court before the convening of the general disarmament conference in February.

It is further voted that a copy of this resolution be sent to Senator JOSEPH T. ROBINSON and Mrs. T. H. CARAWAY and to President Hoover and given to the press.

THE WOMAN'S CITY CLUB OF LITTLE ROCK

Whereas the President has sent to the Senate the protocols giving the adhesion of the United States to the World Court;

Therefore we urge upon our Senators that they exercise their powerful influence to secure their early adoption.

COOPERATIVE CLUB OF LITTLE ROCK, ARK.

It is hereby unanimously resolved by the Cooperative Club of Little Rock, Ark., That we look upon the World Court as one of the chief means of preserving peace and good will between nations, and that we petition our Senators to favor ratification of the treaties by which the United States gives its adhesion thereto.

POPE COUNTY BAR ASSOCIATION

Be it resolved by the Pope County Bar Association on this Tuesday, March 31, 1931, That we go on record as asking our Senators to vote in favor of our adhesion to the World Court, believing World Court is an American idea sponsored by some of our leading men in American history and because we think it would be the best thing for mankind.

BUSINESS AND PROFESSIONAL WOMEN'S CLUB OF EL DORADO, ARK.

The Business and Professional Women's Club of El Dorado, Ark., is very much interested in the completion of the adherence of the United States to the World Court, and we believe that now is the opportune time to make known our sentiment in this movement; we would therefore like to express to you, as a member of the Committee on Foreign Relations of the United States Senate, our interest in the early ratification of the protocols.

KIWANIS CLUB OF LITTLE ROCK

It is hereby unanimously resolved by the Kiwanis Club of Little Rock, Ark., That we look upon the World Court as one of the chief means of preserving peace and good will between nations and that we petition our Senators to favor ratification of the treaty by which the United States gives in its adhesion thereto.

Referenda on ratification of the World Court protocols

DAILY NEWSPAPERS IN ARKANSAS

(All of these are small)

Favorable to ratification (including all the largest dailies in the State)	27
Opposed	0
No stand	1
Impossible to classify	0
No reply	5

NATIONAL ECONOMIC LEAGUE

Favorable to ratification..... 20
 Opposed..... 2

OTHER INTEREST IN THE WORLD COURT SHOWN IN ARKANSAS

During the years between 1926 and 1929, when negotiations with regard to our adherence to the World Court had lapsed, a number of important groups in this State urged the Senate to resume negotiations in order that our entry into the World Court might be completed. Letters and resolutions from the following bodies were sent to the Senate asking the resumption of negotiations:

Arkansas Bar Association; Arkansas Federation of Women's Clubs; Woman's Christian Temperance Union; Fort Smith Chamber of Commerce; Hot Springs Chamber of Commerce; Young Men's Christian Association of Little Rock; Arkansas American Association of University Women; Arkansas American Legion Auxiliary; Business and Professional Women's Clubs of Arkansas; City Federation of Clubs of Little Rock (membership, 4,000); Council of Jewish Women of Arkansas; Arkansas Young Women's Christian Association; National Young Women's Christian Association in Arkansas; Arkansas Parent-Teachers' Association; Missionary Societies of All Christian Churches in Arkansas; Missionary Society of First Methodist Church, Little Rock; Women's City Club, Little Rock; and Sorosis Club of the City of Magnolia, Ark.

In Fort Smith alone the following organizations have urged the entrance of the United States into the World Court:

Wednesday Club, Fortnightly Club, Woman's Christian Temperance Union, Delphian Society, Traveler's Aid, Sunshine Club, Catholic Daughters of America, and Public-School Teachers' Association.

CANADIAN TARIFF AND EXCHANGE

Mr. SHIPSTEAD. Mr. President, I have here a letter dealing with the question of retaliatory tariffs and foreign exchange. I send it to the desk and ask unanimous consent to have it read.

The VICE PRESIDENT. Is there objection to the reading? The Chair hears none, and it will be read.

The Chief Clerk read as follows:

NORTHERN COAL COMPANY,
 Detroit, December 11, 1931.

HON. HENRIK SHIPSTEAD,
 United States Senate, Washington, D. C.

DEAR SENATOR: You are, of course, aware of the increased tariff, as well as the excise tax, invoked by Canada against our exports in her lightninglike reprisals to our Hawley-Smoot tariff.

But are you aware that with equal rapidity she issued a customs order on September 28, 1931, placing an additional duty against our commodities which at the time of writing is 17 per cent?

This September 28 customs ruling was her quick and snappy answer to the violently increased rate at which United States banks, commencing September 21, discounted Canadian funds. Its basis is the rate of such discount in effect on date of importation and applies to goods "of a class or kind produced in Canada."

Our banks contend that the exchange rate is due to "balance of trade" against Canada, but the discount rate, though higher at that time than formerly, was nevertheless only 2 to 3 per cent on Saturday, September 19, whereas it opened Monday, September 21 at 10 per cent, increasing to 20 per cent within the week. Canada could neither have purchased so tremendously of our goods on Sunday, September 20, as to justify Monday's 7 to 8 per cent increase, nor during the balance of that week to justify the 17 to 18 per cent increase.

It is significant that England went off the gold standard September 21, and the extent to which Canada's affiliation with the British Commonwealth of Nations is being used for exploitation of exchange may be a fit subject for investigation in view of its disastrous effect upon our foreign commerce and our industrial and employment situation.

Canada has not changed the standard of her currency which denominationally and otherwise is practically a counterpart of our own and in no way founded upon England's. Her affiliation with the British commonwealth is that of an independent unit, and aside from the fact that she is reputedly the world's second largest producer of gold, with other vast natural resources, she should be entitled as our, until recently, best customer to the better treatment deserved by a contiguous nation with ideals, living standards, scale of wages, and industrial development, the latter proportionate to population, comparable with our own.

Some few years ago during our industrial prosperity when the exchange rate threatened serious proportions remedial measures, designed to stabilize the rate at a maximum fluctuation of 1 per cent, were rumored, but apparently the need passed with the restoration of United States and Canadian currencies to approximate parity. If such a remedy exists, does not our present industrial and unemployment plight render its invocation doubly desirable now?

Canadian banks, among which we have heard of no failures during these trying times, are of recognized stability, and the history of United States-Canadian exchange invariably records the eventual return of the two currencies to near parity so that now, within their financing ability—

American exporters, seeking to avert the ruinous loss that would be entailed by the exchange discount incidental to their normal return to United States depositories, have in the aggregate deposited vast sums of Canadian funds received for commodities sold

prior to the late September violent increase in the rate in Canadian banks.

American exporters of commodities "not of a class or kind produced in Canada," such, for example, as anthracite coal, and who must either continue accepting Canadian funds or sacrifice their Canadian trade to foreign competition with depreciated currencies, have deposited and are now depositing such funds received since late September and continually being received, in Canadian banks.

Americans, in the expectation of profiting with the expected return of United States-Canadian currencies to near parity, finding credit in the ratio of approximately \$1,170 Canadian funds for \$1,000 American funds obtainable in Canada at an equal rate of bank interest, have transferred deposits from United States banks to Canadian banks.

This drainage of our liquid funds threatens nullification of the beneficial effects toward liquefaction of United States banks generally expected of the National Credit Corporation, the proposed reconstruction corporation, the proposed establishment of home-loan discount banks, and other Federal remedial measures rendering them tantamount, unless the leak can be stopped, to pouring funds into this end of an open pipe line emptying into Canada.

This situation is naturally quite satisfactory to the majority of Canadians who appreciate its several advantages, of which the influx of United States funds is but one, but it is far from satisfactory to the exchange-burdened Canadian importer, to whom our commodities must look for a market, and he will not purchase any United States products at \$1.17 per dollar that he can possibly get along without.

To digress, if a sales tax is enacted in response to agitation for it from some quarters, then unless our exported commodities are exempted, and by a method to render them permanently so, that will be another step toward the effacement of this country from the map as an exporting nation.

Respectfully,

E. C. CROWLEY, President.

The VICE PRESIDENT. The letter will be referred to the Committee on Finance.

INDORSEMENTS OF FEDERAL FARM BOARD ACTIVITIES

Mr. SMOOT. Mr. President, I have here certain resolutions forwarded to me by Jess W. Wade, secretary of the Intermountain Grain Growers (Inc.), asking that I submit them for printing in the RECORD and reference to the Committee on Agriculture and Forestry. I do so now.

There being no objection, the resolutions were ordered to be printed in the RECORD and referred to the Committee on Agriculture and Forestry, as follows:

OGDEN, UTAH, December 7, 1931.

HON. REED SMOOT,

United States Senator, Washington, D. C.

DEAR SIR: Much comment has appeared in the press concerning the activities of the Federal Farm Board, the Grain Stabilization Corporation, the Farmers National Grain Corporation, and its allied agencies, and from this comment it seems probable that an attempt will be made to repeal the agricultural marketing act and limit the activities of the Federal Farm Board, as well as those groups cooperating with it.

Such a possibility has aroused the earnest attention of the farmers' organizations of the intermountain region, and accordingly boards of directors of the several local units of the Inter-Mountain Grain Growers (Inc.), as well as its own directors, have taken action to bring before you their opinion in the form of resolutions passed commending the operations of these governmental agencies to aid the interests of agriculture.

Copies of these resolutions have been prepared and we are presenting them herewith for your serious consideration when matters pertaining to the Federal Farm Board, the Grain Stabilization Corporation, the Farmers National Grain Corporation, and the agricultural marketing act come before Congress for its attention.

Yours very truly,

INTER-MOUNTAIN GRAIN GROWERS (INC.),
 By JESS W. WADE, President.

STATE OF UTAH,

County of Weber, ss:

Jess W. Wade, being first duly sworn, deposes and says: That the Inter-Mountain Grain Growers (Inc.) is a corporation organized and existing under the laws of the State of Delaware, with its principal place of business at Ogden, Utah; that he is the duly elected, qualified, and acting secretary of said corporation; that the attached resolutions of Hansel Valley Grain Growers (Inc.), Hansel Valley, Utah; Franklin County Grain Growers (Inc.), Preston, Idaho; Ririe Grain Growers (Inc.), Ririe, Idaho; Gem Valley Grain Growers (Inc.), Grace, Idaho; Yellowstone Grain Growers (Inc.), Drummond, Idaho; Camas Prairie Grain Growers (Inc.), Fairfield, Idaho; Madison County Grain Growers (Inc.), Rexburg, Idaho; Power County Grain Growers (Inc.), American Falls, Idaho; Arimo Grain Growers (Inc.), Arimo, Idaho; Blue Creek Grain Growers (Inc.), Blue Creek, Utah; Central Utah Grain Growers (Inc.), Nephi, Utah, are true and correct copies of those now appearing in the files of Inter-Mountain Grain Growers (Inc.), at Ogden, Utah, and upon the minute books of said corporations, and that same

were passed for the purpose of expressing the confidence of the several organizations in the Federal Farm Board, the Farmers' National Grain Corporation, and the agricultural marketing act.

JESS W. WADE,
Secretary Inter-Mountain Grain Growers (Inc.).

Subscribed and sworn to before me, a notary public in and for the county of Weber, State of Utah, this 5th day of December, 1931.
[SEAL.] ELWOOD WILLIAMS,
Notary Public.

My commission expires October 23, 1934.

Resolution adopted at Central Utah Grain Growers (Inc.) meeting, Nephi, Utah, November 23, 1931

Be it resolved, That we indorse the activities of the Federal Farm Board in sponsoring organizations of farmers' cooperative marketing associations and in rendering aid to such associations in financing the marketing of farm crops and construction of storage facilities.

WILL L. HOYT, *Secretary.*

Whereas the Federal Farm Board, created by the passage of the agricultural marketing act, has very ably assisted cooperative marketing associations in setting up and operating their organizations during the past two years; and

Whereas the Farmers National Grain Corporation, organized under the direction of the Federal Farm Board, has operated for the distinct benefit of its grain-grower members as well as all grain growers; and

Whereas the Federal Farm Board and the Farmers National Grain Corporation will continue to aid and assist the grain growers and their cooperatives to market their produce to the best possible advantage: Now, therefore, be it

Resolved, That the board of directors of the Hansel Valley Grain Growers (Inc.), for and on behalf of its stockholders, does hereby indorse the agricultural marketing act, the Federal Farm Board, and the Farmers National Grain Corporation by lending our aid and support; be it further

Resolved, That we urge all other grain cooperatives to give their support and allegiance to these agencies.

I, Howard Glenn, secretary of the Hansel Valley Grain Growers (Inc.), do hereby certify that the foregoing resolution was passed by a majority of the members of the board of directors of said corporation at a regularly called meeting held on December 5, 1931.

HOWARD GLENN, *Secretary.*

Whereas the Federal Farm Board, created by the passage of the agricultural marketing act, has very ably assisted cooperative marketing associations in setting up and operating their organizations during the past two years; and

Whereas the Farmers National Grain Corporation, organized under the direction of the Federal Farm Board, has operated for the distinct benefit of its grain-grower members as well as all grain growers; and

Whereas the Federal Farm Board and the Farmers National Grain Corporation will continue to aid and assist the grain growers and their cooperatives to market their produce to the best possible advantage: Now, therefore, be it

Resolved, That the board of directors of the Franklin County Grain Growers (Inc.), for and on behalf of its stockholders, does hereby indorse the agricultural marketing act, the Federal Farm Board, and the Farmers National Grain Corporation by lending our aid and support; be it further

Resolved, That we urge all other grain cooperatives to give their support and allegiance to these agencies.

I, R. W. Geddes, secretary of the Franklin County Grain Growers (Inc.), do hereby certify that the foregoing resolution was passed by a majority of the members of the board of directors of said corporation at a regularly called meeting held on November 10, 1931.

R. W. GEDDES, *Secretary.*

Whereas the Federal Farm Board, created by the passage of the agricultural marketing act, has very ably assisted cooperative marketing associations in setting up and operating their organizations during the past two years; and

Whereas the Farmers National Grain Corporation, organized under the direction of the Federal Farm Board, has operated for the distinct benefit of its grain-grower members, as well as all grain growers; and

Whereas the Federal Farm Board and the Farmers National Grain Corporation will continue to aid and assist the grain growers and their cooperatives to market their produce to the best possible advantage: Now, therefore, be it

Resolved, That the board of directors of the Gem Valley Grain Growers (Inc.), for and on behalf of its stockholders, does hereby indorse the agricultural marketing act, the Federal Farm Board, and the Farmers National Grain Corporation by lending our aid and support; be it further

Resolved, That we urge all other grain cooperatives to give their support and allegiance to these agencies.

I, Willard Call, secretary of the Gem Valley Grain Growers (Inc.), do hereby certify that the foregoing resolution was passed by a majority of the members of the board of directors of said corporation at a regularly called meeting held on August 24, 1931.

WILLARD CALL, *Secretary.*

Whereas the Federal Farm Board, created by the passage of the agricultural marketing act, has very ably assisted cooperative marketing associations in setting up and operating their organizations during the past two years; and

Whereas the Farmers National Grain Corporation, organized under the direction of the Federal Farm Board, has operated for the distinct benefit of its grain-grower members, as well as all grain growers; and

Whereas the Federal Farm Board and the Farmers National Grain Corporation will continue to aid and assist the grain growers and their cooperatives to market their produce to the best possible advantage: Now, therefore, be it

Resolved, That the board of directors of the Yellowstone Grain Growers (Inc.), for and on behalf of its stockholders, does hereby indorse the agricultural marketing act, the Federal Farm Board, and the Farmers National Grain Corporation by lending our aid and support; be it further

Resolved, That we urge all other grain cooperatives to give their support and allegiance to these agencies.

I, Earl Harshbarger, secretary of the Yellowstone Grain Growers (Inc.), do hereby certify that the foregoing resolution was passed by a majority of the members of the board of directors of said corporation at a regularly called meeting held on November 5, 1931.

EARL HARSHBARGER, *Secretary.*

Copy of resolution passed by the Camas Prairie Grain Growers (Inc.), of Fairfield, Idaho, October 30, 1931

Whereas the agricultural marketing act was passed for the express purpose of aiding agriculture through the Federal Farm Board and cooperatives organized under the direction of the Farm Board;

Whereas the Farmers National Grain Corporation was organized under the direction of the Farm Board and has operated very successfully since its organization for the distinct benefit of the grain growers of the country. Now therefore be it

Resolved, That the board of directors of the Camas Prairie Grain Growers (Inc.) do hereby extend its whole-hearted support and confidence to the Federal Farm Board and the Farmers National Grain Corporation and urge all grain cooperatives to support the activities and operations of these two organizations.

I hereby certify that the above resolution was adopted at a meeting of the board of directors of the Camas Prairie Grain Growers (Inc.) held at Fairfield, Idaho, October 30, 1931.

F. B. FASHEBAUGH, *Secretary.*

Resolution

It is hereby resolved, That the Madison County Grain Growers (Inc.) approve and appreciate the efforts of the Federal Farm Board and the Farmers National Grain Corporation. We urge that these organizations should be continued as at present.

The above resolution was passed at a regular meeting of the board of directors of Madison County Grain Growers (Inc.), held October 6, 1931.

MADISON COUNTY GRAIN GROWERS (INC.),
By J. S. WEBSTER, *Secretary.*

Resolution

Whereas the agricultural marketing act was passed by Congress for the purpose of aiding and assisting agricultural producers to organize and operate their own marketing cooperatives; and

Whereas the Federal Farm Board, created by the passage of the act, has very ably organized and assisted in the organization of grain cooperatives in the country; and

Whereas the Farmers National Grain Corporation was organized under the direction of the Farm Board and operated most successfully for the past 16 months for the distinct benefit of its producer members: Now therefore be it

Resolved, That the board of directors of the Power County Grain Growers (Inc.) do hereby extend a hearty vote of thanks and its whole-hearted support to the operations of the Federal Farm Board and the Farmers National Grain Corporation, and urge all cooperatives to support the Federal Farm Board movement.

I, Hyrum Lloyd, secretary of the Power County Grain Growers (Inc.), do hereby certify that the above is a true and correct copy of a resolution passed by the board of directors of the Power County Grain Growers (Inc.), in session October 8, 1931, and that same appears on the minute book of the corporation.

HYRUM LLOYD, *Secretary.*

Copy of resolution of commendation of the farm marketing act and the Federal Farm Board passed by the Arimo Grain Growers (Inc.), Arimo, Idaho

Whereas because of the great amount of opposition and misrepresentation, due to prejudice and misunderstanding, aimed at the Federal Farm Board because of its efforts to stabilize prices and protect the agriculture interests of the country during the last two years of economic stress in the United States, that is being circulated among farmers and people generally; and

Whereas it is probable that an attempt will be made by bankers, chambers of commerce, millers, and private enterprises to introduce legislation in the next Congress of the United States which will limit or annul the farm marketing act and abolish the Federal Farm Board, thus leaving agriculture communities and commodities at the mercy of the profiteers: Therefore be it

Resolved, That we, the directors of the Arimo Grain Growers (Inc.), for and in behalf of the stockholders of the aforesaid Arimo Grain Growers (Inc.), declare and we do hereby declare our approval of the actions of the Federal Farm Board in its efforts to stabilize prices and protect the agriculture pursuits of the country during the present depression. We earnestly desire the continuation of the farm marketing act and the Federal Farm Board, and will give our support and allegiance to the Federal Farm Board, the Farmers National Grain Corporation, and other agencies affiliated with them; be it further

Resolved, That this resolution be made a part of the minutes of this meeting and that a copy of it be sent to the Federal Farm Board, the Farmers National Grain Corporation, and our Senators and Representatives in the Congress of the United States.

I, Lucian C. Farr, Jr., do hereby certify that the above is a true and correct copy of a resolution passed at the board of directors meeting of the Arimo Grain Growers (Inc.), held at the company's office, Friday, October 2, 1931, at 8 p. m., at which all directors were present.

LUCIAN C. FARR, JR.,
Secretary-Treasurer.

Whereas the Federal Farm Board, created by the passage of the agricultural marketing act, has very ably assisted cooperative marketing associations in setting up and operating their organizations during the past two years; and

Whereas the Farmers National Grain Corporation, organized under the direction of the Federal Farm Board, has operated for the distinct benefit of its grain-grower members, as well as all grain growers; and

Whereas the Federal Farm Board and the Farmers National Grain Corporation will continue to aid and assist the grain growers and their cooperatives to market their produce to the best advantage possible: Now, therefore, be it

Resolved, That the board of directors of the Blue Creek Grain Growers (Inc.), for and on behalf of its stockholders, does hereby indorse the agricultural marketing act, the Federal Farm Board, and the Farmers National Grain Corporation, by lending our aid and support; be it further

Resolved, That we urge all other grain cooperatives to give their support and allegiance to these agencies.

I, Francis Norr, secretary of the Blue Creek Grain Growers (Inc.), do hereby certify that the foregoing resolution was passed by a majority of the members of the board of directors of said corporation at a regularly called meeting held on November 5, 1931.

FRANCIS NORR, Secretary.

Whereas the Federal Farm Board, through the activities of the Grain Stabilization Corporation, has acquired some 200,000,000 bushels of wheat over the past two years due to stabilization activities; and

Whereas in the face of unfair opposition of the grain trade and misinformed Congressmen and Senators, the Grain Stabilization Corporation has adopted a definite policy of disposing of this accumulation of wheat: Now, therefore, be it

Resolved, That the board of directors of the Inter-Mountain Grain Growers (Inc.) in session do hereby indorse and pledge their support to the policy adopted by the Grain Stabilization Corporation in handling the disposition of the wheat carried by it; be it further

Resolved, That, due to the high class of personnel at the head of the activities of the Federal Farm Board, the Grain Stabilization Corporation, and Farmers National Grain Corporation, the board of directors of the Inter-Mountain Grain Growers (Inc.) extends a hearty vote of confidence to the executive personnel of the Federal Farm Board, the Grain Stabilization Corporation, and Farmers National Grain Corporation.

STATE OF UTAH,

County of Weber, ss:

This is to certify that the foregoing is a true and correct copy of a resolution passed by the board of directors of the Inter-Mountain Grain Growers (Inc.), in session at Ogden, Utah, July 20, 1921, which resolution appears on the minute book of said association.

In witness whereof I have hereunto set my hand and affixed the corporate seal of the Inter-Mountain Grain Growers (Inc.) this 22d day of July, 1931.

JESS W. WADE, Secretary.

PROPOSED CASH BONUS

Mr. COPELAND. Mr. President, I have a petition from the veterans of Erie County and the western portion of New York State, showing a vote they have taken on the cash bonus—6,500 votes in favor of it and 45 votes against it. I ask that the petition be printed in the RECORD and referred to the Committee on Finance.

There being no objection, the petition was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

We, the veterans of Erie County and the western portion of New York State whose names are signed to the accompanying ballots, which were voted in a straw ballot conducted under the sponsorship of radio station WEBR, Buffalo, N. Y., by Capt. William A.

Fox, which straw ballot was conducted for the purpose of determining the sentiment in Erie County and western New York on the question of whether the adjusted-service certificates should be paid in full at this time, and which straw ballot resulted in a return of over 6,500 votes in favor of said full payment of the bonus certificates at this time and 45 opposed;

Do hereby petition the Hon. ROYAL S. COPELAND and ROBERT F. WAGNER, Senators from the State of New York, and the Hon. JAMES M. MEAD, EDMUND F. COOKE, and WALTER G. ANDREWS, Congressmen from Buffalo and Erie County, to vote for and cooperate in passing the necessary legislation to effectuate the purposes of this petition in the form of legislation at the present session of Congress.

DISARMAMENT

Mr. WAGNER. Mr. President, I ask that there be printed in the RECORD and referred to the Committee on Foreign Relations a petition from the Parent-Teachers Association of Otego Central School favoring disarmament.

There being no objection, the petition was ordered to be printed in the RECORD, without all the signatures, and referred to the Committee on Foreign Relations, as follows:

OTEGO CENTRAL SCHOOL,
Otego, N. Y., November 5, 1931.

Senator ROBERT WAGNER,

Washington, D. C.

DEAR SENATOR WAGNER: The members of our parent-teachers association are very much interested in world peace and we hope that you will do everything in your power to further it.

We petition you to approve and support only such delegates to the disarmament conference as shall favor and can ably support the cause of disarmament (through limitation of expenditure or otherwise) and good will and confidence between nations. We are especially anxious that the conference shall not be postponed.

We are also in favor of the United States joining the World Court.

Respectfully yours,

CELIA M. CROSWELL AND OTHERS.

PROPOSED REDUCTION OF GOVERNMENT SALARIES

Mr. WAGNER presented a resolution adopted by the United National Association of Post Office Clerks, which was referred to the Committee on Post Offices and Post Roads and ordered to be printed in the RECORD, as follows:

Resolution of protest submitted to the Congress of the United States by the United National Association of Post-Office Clerks, C. P. FRANCISCUS, president

Whereas the dreadful and distressing conditions existing throughout our Nation because of the inability of millions of our citizens to find employment and thereby earn sufficient money to purchase the necessary commodities of life; and

Whereas this condition has seriously impeded the free and healthy circulation of our money, has stagnated industry, paralyzed trade, and blighted commerce; and

Whereas the United National Association of Post-Office Clerks believes that these dreadful conditions are due in a great part to the failure of the leaders in the financial, commercial, and industrial interests to keep faith with President Herbert Hoover and to maintain their respective activities without curtailment and without reduction in compensation or salaries; and

Whereas the postal employees of the Nation, together with all other employees in the public service, were woefully underpaid until very recent years, received no salary increases throughout the trying years of 1917, 1918, and 1919, during which period the cost of living quadrupled and the purchasing power of the dollar shrunk almost 60 per cent; and

Whereas, notwithstanding these facts, the postal employees of the Nation, and we believe all employees in the public service, closed their eyes to the allurements of the outside world and remained loyally and faithfully at their posts in the Government service; and

Whereas we believe the Government should recognize and reward such devotion to duty, and that the Government should be the model employer, that its employees should be able to maintain their homes, rear and educate their children on the highest American standard, so that such employees will at all times reflect credit on the Nation to the end that private employers the country over would be inspired to pattern their policies after the Government's: Now, therefore, be it

Resolved by the United National Association of Post-Office Clerks of the United States, That we respectfully and earnestly petition the Congress of the United States to disapprove any suggestion, movement, or proposal looking to the reduction of salaries, whether temporarily or permanently, of the employees in the public service, to the end that the Government itself might be acclaimed and credited with being the first to assist in hastening the return of happiness, prosperity, and contentment to the American people.

RELIEF OF VETERANS OF ALL WARS

Mr. JONES. Mr. President, I present to the Senate tables showing appropriations made for the relief of the veterans

of all wars for a 20-year period, namely, 1913 to 1932, both dates inclusive.

For this noble purpose, in this 20-year period, we have appropriated the sum of \$11,197,542,082.01, of which \$4,334,730,000 has gone for pensions to veterans and their widows and orphans, \$4,373,527,025 for military and naval family allowance and compensation, insurance, and adjusted compensation, and \$718,666,370 for vocational training, together with many millions for the support of the National Homes for Disabled Volunteer Soldiers.

I believe that these tables show a record of wisdom and merit with a just recognition of the rights and welfare of our brave soldiers who willingly gave their all for the defense of our beloved country.

It is a record of which all American citizens should feel proud. I ask unanimous consent that these tables be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The tables are as follows:

Total appropriations for Bureau of Pensions from 1913 to 1931, inclusive, by appropriation and act of Congress

Act	Army and Navy pensions	Salaries, Bureau of Pensions	Investigation of pension cases, Bureau of Pensions	Fees of examining surgeons, pensions	Miscellaneous expenses, Bureau of Pensions	Salaries and expenses, employees' retirement act	Financing civil service retirement and disability fund	Total
Public, No. 271, Aug. 17, 1912	\$164,500,000.00	\$418,666.67		\$200,000.00	\$27,479.17			\$165,146,145.84
Public, No. 299, Aug. 23, 1912		1,536,600.00	\$215,000.00		5,000.00			1,756,600.00
Sundry civil act, Aug. 24, 1912		300,000.00						300,000.00
Public, No. 425, Mar. 3, 1913	180,000,000.00			300,000.00				180,300,000.00
Deficiency act, Mar. 4, 1913	15,000,000.00			100,000.00				15,100,000.00
Public, No. 427, Mar. 4, 1913		1,852,450.00	215,000.00					2,067,450.00
Public, No. 116, June 20, 1914	169,000,000.00			150,000.00				169,150,000.00
Public Resolution No. 34, June 30, 1914		8,666.67						8,666.67
Public, No. 127, July 16, 1914		1,651,541.67	125,000.00		6,000.00			1,782,541.67
Public, No. 261, Mar. 1, 1915	164,000,000.00			100,000.00				164,100,000.00
Deficiency act, Mar. 4, 1915					4,000.00			4,000.00
Public, No. 290, Mar. 4, 1915		1,518,650.00	85,000.00		6,000.00			1,609,650.00
Public, No. 73, May 10, 1916		1,460,790.00	80,000.00		6,000.00			1,546,790.00
Public, No. 121, June 30, 1916	158,000,000.00			65,000.00				158,065,000.00
Public, No. 388, Mar. 3, 1917	160,000,000.00			60,000.00				160,060,000.00
Public, No. 381, Mar. 3, 1917		1,432,670.00	80,000.00		6,000.00			1,518,670.00
Deficiency act, Apr. 17, 1917	5,000,000.00							5,000,000.00
Deficiency act, Mar. 28, 1918	23,000,000.00							23,000,000.00
Public, No. 184, July 2, 1918	220,000,000.00			50,000.00				220,050,000.00
Public, No. 188, July 3, 1918		1,322,620.00	90,000.00		6,000.00			1,418,620.00
Public, No. 276, Feb. 25, 1919	215,000,000.00			30,000.00				215,030,000.00
Public, No. 314, Mar. 1, 1919		1,246,540.00	100,000.00		6,000.00			1,352,540.00
Deficiency act, June 5, 1919	3,000,000.00							3,000,000.00
Public, No. 231, May 29, 1920		1,210,340.00	100,000.00		6,000.00			1,316,340.00
Public, No. 244, June 4, 1920	279,000,000.00			150,000.00				279,150,000.00
Sundry civil act, June 5, 1920						\$50,000.00		50,000.00
Deficiency act, June 5, 1920						2,000.00		2,000.00
Public, No. 317, Feb. 16, 1921	265,000,000.00			500,000.00				265,500,000.00
Deficiency act, Mar. 1, 1921				400,000.00				400,000.00
Public, No. 364, Mar. 3, 1921		1,174,920.00	100,000.00		6,000.00	50,000.00		1,330,920.00
Public, No. 224, May 24, 1922	252,000,000.00	1,466,720.00	100,000.00	350,000.00	21,000.00	50,000.00		253,987,720.00
Deficiency act, July 1, 1922		212,596.67			45,875.00			258,471.67
Public, No. 395, Jan. 24, 1923	253,000,000.00	1,383,720.00	120,000.00	192,000.00	10,000.00	68,940.00		254,774,660.00
Deficiency act, Mar. 4, 1923	16,000,000.00			177,015.00				16,177,015.00
Deficiency act, Apr. 2, 1924				300,000.00				300,000.00
Public, No. 199, June 5, 1924	222,500,000.00	1,470,000.00	110,000.00	450,000.00	9,000.00	77,000.00		224,616,000.00
Deficiency act, Dec. 5, 1924				60,000.00				60,000.00
Public, No. 580, Mar. 3, 1925	197,000,000.00	1,400,000.00	100,000.00	500,000.00	15,000.00	80,000.00		199,095,000.00
Deficiency act, Mar. 4, 1925				93,000.00				93,000.00
Public, No. 206, May 10, 1926	192,000,000.00	1,335,000.00	95,000.00	400,000.00	15,000.00	76,000.00		193,921,000.00
Public Resolution No. 31, May 25, 1926	10,730,000.00							10,730,000.00
Public, No. 541, Jan. 12, 1927	221,000,000.00	1,160,000.00	130,000.00	450,000.00	(¹)	76,000.00		222,816,000.00
Deficiency act, Dec. 22, 1927	46,000,000.00							46,000,000.00
Public, No. 100, Mar. 7, 1928	210,000,000.00	1,165,000.00	110,000.00	450,000.00		78,000.00	\$19,950,000.00	231,753,000.00
Act amending classification act, May 28, 1928		83,860.00				4,900.00		88,760.00
Public, No. 1033, Mar. 4, 1929	221,000,000.00	1,225,000.00	105,000.00	300,000.00		81,000.00	20,500,000.00	243,211,000.00
Public, No. 1035, Mar. 4, 1929	19,000,000.00		5,000.00	188,643.20				19,193,643.20
Deficiency act, Mar. 26, 1930		30,000.00	40,000.00			6.34		70,006.34
Public, No. 217, May 14, 1930	212,500,000.00	1,219,400.00	150,000.00	298,000.00		82,000.00	20,850,000.00	235,090,400.00
Deficiency act, July 3, 1930		100,000.00				28,000.00		128,000.00
Deficiency act, Feb. 6, 1931	19,500,000.00							19,500,000.00
Deficiency act, Mar. 4, 1931						729.50		729.50
Total	4,112,730,000.00	27,385,751.68	2,255,000.00	6,313,638.20	200,354.17	804,575.84	61,300,000.00	4,210,989,339.89

¹ Consolidated with contingent expenses, Department of the Interior.

Total appropriations made by Congress for national homes during fiscal years 1913 to 1931, inclusive

Date	Public No.	Fiscal year	National Homes for Disabled Volunteer Soldiers	State aid	Claims allowed	Total
Act, Aug. 24, 1912	302	1913	\$3,995,660.00	\$1,200,000.00		\$5,195,660.00
Deficiency act, Mar. 4, 1913	434	1913	12,000.00	19,710.12	\$6.00	31,716.12
Deficiency act, Oct. 22, 1913	32	1913			10,922.46	10,922.46
Act, June 23, 1913	3	1914	3,981,265.00	1,200,000.00		5,181,265.00
Deficiency act, Apr. 6, 1914	62	1914	18,000.00		1,953.39	19,953.39
Act, Aug. 1, 1914	161	1915	3,821,600.00	1,100,000.00		4,921,600.00
Deficiency act, Mar. 4, 1915	296	1915	38,073.89			38,073.89
Deficiency act, Feb. 28, 1916	26	1916			15.63	15.63
Act, Mar. 3, 1915	263	1916	3,831,009.50	1,100,000.00		4,931,009.50
Deficiency act, Sept. 8, 1916	272	1916	29,500.00	2,247.03	44.64	31,791.67
Act, July 1, 1916	132	1917	3,820,900.00	1,125,000.00		4,945,900.00
Deficiency act, Apr. 17, 1917	2	1917	248,500.00			248,500.00
Act, June 12, 1917	21	1918	3,898,900.00	1,030,000.00		4,928,900.00
Deficiency act, Oct. 6, 1917	64	1918			1.00	1.00
Deficiency act, Mar. 28, 1918	109	1918	746,722.99			746,722.99
Deficiency act, July 8, 1918	191	1918			362.56	362.56
Act, July 1, 1918	181	1919	4,635,150.00	1,000,000.00		5,635,150.00
Deficiency act, Nov. 4, 1918	233	1919			1,165.35	1,165.35
Deficiency act, July 11, 1919	5	1919	134,558.62			134,558.62
Act, July 19, 1919	21	1920	4,716,850.00	900,000.00		5,616,850.00
Deficiency act, Nov. 4, 1919	73	1920	22,000.00			22,000.00

Total appropriations made by Congress for national homes during fiscal years 1913 to 1931, inclusive—Continued

Date	Public No.	Fiscal year	National Homes for Disabled Volunteer Soldiers	State aid	Claims allowed	Total
Deficiency act, June 5, 1920	264	1920	\$242,500.00		\$69.40	\$242,569.40
Deficiency act, Mar. 6, 1920	155	1920			13.00	13.00
Act, June 5, 1920	246	1921	4,753,800.00	\$1,000,000.00		5,753,800.00
Deficiency act, Mar. 1, 1921	338	1921	663,100.00	892.09	84.76	664,076.85
Act, Mar. 4, 1921	380	1922	5,984,800.00	900,000.00		6,884,800.00
Deficiency act, Aug. 24, 1921	69	1922			2.50	2.50
Deficiency act, Dec. 15, 1921	109	1922	106,500.00		146.90	106,646.90
Deficiency act, Mar. 20, 1922	172	1922			95.59	95.59
Act, June 30, 1922	259	1923	4,500,800.00	850,000.00		5,350,800.00
Deficiency, July 1, 1922	263	1923			4.56	4.56
Deficiency, Mar. 4, 1923	543	1923	382,000.00		6.76	382,006.76
Act, Mar. 2, 1923	465	1924	4,354,500.00	800,000.00		5,154,500.00
Deficiency, Apr. 2, 1924	66	1924	22,000.00		276.71	22,276.71
Act, June 7, 1924	213	1925	6,754,562.00	700,000.00		7,454,562.00
Deficiency, Jan. 20, 1925	326	1925			640.27	640.27
Act, Dec. 6, 1924	293	1925	960,000.00			960,000.00
Deficiency, Mar. 4, 1925	631	1925	228,000.00		1,447.55	229,447.55
Act, Feb. 12, 1925	413	1926	7,581,200.00	640,000.00		8,221,200.00
Deficiency, Mar. 3, 1926	36	1926	83,500.00		2.10	83,502.10
Deficiency, July 3, 1926	492	1926	173,000.00			173,000.00
Act, Apr. 15, 1926	123	1927	7,685,100.00	570,000.00		8,255,100.00
Deficiency, Feb. 28, 1927	660	1927			469.04	469.04
Deficiency, Dec. 22, 1927	2	1927	110,900.26	3,373.69	21.35	114,304.30
Act, Feb. 23, 1927	630	1928	7,755,132.00	570,000.00		8,325,132.00
Deficiency, May 29, 1928	663	1928	267,750.00			267,750.00
Second deficiency, Mar. 4, 1929	1,035	1928		4,930.32		4,930.32
Act, Mar. 23, 1928	181	1929	8,700,300.00	560,000.00		9,260,300.00
First deficiency, Mar. 4, 1929	1,034	1929	1,050,000.00		21.33	1,050,021.33
Second deficiency, Mar. 4, 1929	1,035	1929	2,161,600.00		24.26	2,161,624.26
First deficiency, Mar. 26, 1930	78	1929		24,049.33		24,049.33
Act, Feb. 28, 1929	843	1930	9,506,420.00	560,000.00		10,066,420.00
First deficiency act, Mar. 26, 1930	78	1930	1,820,000.00		85.00	1,820,085.00
Second deficiency act, July 3, 1930	519	1930	773,520.00			773,520.00
Second deficiency act, Mar. 4, 1931	869	1930		24,728.00		24,728.00
Act, May 28, 1930	278	1931	10,630,220.00	560,000.00	404.32	11,190,624.32
Second deficiency act, Mar. 4, 1931	869	1931	818,000.00	30,000.00		848,000.00
Total			122,019,903.26	16,474,930.58	18,286.43	138,513,120.27

Statement as of June 30, 1931, showing appropriations made for relief of World War veterans to end of fiscal year 1931 and for veterans of all wars for fiscal year 1932

Act	Military and naval family allowance	Military and naval compensation	Insurance	Administration	Hospitalization	Hospital construction	Vocational training	Bonus allowance
Public, No. 20, June 12, 1917				\$250,000.00				
Public, No. 90, Oct. 6, 1917	\$141,000,000.00	\$12,150,000.00	\$23,000,000.00	100,000.00				
Deficiency act, Mar. 28, 1918				1,537,800.00				
Public, No. 178, June 27, 1918							\$2,000,000.00	
Legislative act, July 3, 1918				3,591,000.00				
Deficiency act, Nov. 4, 1918	70,000,000.00			7,080,000.00				
Public, No. 254, Feb. 24, 1919								\$237,979,340.00
Legislative act, Mar. 1, 1919				10,989,630.00				
Public, No. 326, Mar. 3, 1919					\$785,333.00	\$9,050,000.00		
Deficiency act, June 5, 1919	39,615,000.00			2,429,500.00				
Naval act, July 11, 1919					\$1,000,000.00			
Deficiency act, July 11, 1919					\$4,500,000.00			
Public, No. 11, July 11, 1919							6,000,000.00	
Sundry civil act, July 19, 1919	48,000,000.00	50,000,000.00		10,000.00	\$4,000,000.00		8,000,000.00	
Deficiency act, Nov. 4, 1919				4,863,176.00			5,000,000.00	
Deficiency act, Dec. 24, 1919		30,000,000.00			\$2,000,000.00			
Deficiency act, Mar. 6, 1920		55,000,000.00			\$3,500,000.00	\$500,000.00	11,000,000.00	
Deficiency act, May 8, 1920					\$7,666,187.00			
Legislative act, May 29, 1920				10,324,400.00				
Naval act, June 4, 1920					\$100,000.00			
Sundry civil act, June 5, 1920		125,000,000.00			46,000,000.00	\$295,000.00	90,000,000.00	
Deficiency act, June 5, 1920					\$2,350,000.00		7,000,000.00	
Increased compensation, June 30, 1920				\$1,515,000.00				
Deficiency act, Mar. 1, 1921					\$1,000,000.00	\$400,000.00		
Legislative act, Mar. 3, 1921				7,400,400.00				
Sundry civil act, Mar. 4, 1921		125,000,000.00			33,000,000.00	\$300,000.00	65,000,000.00	
Public, No. 384, Mar. 4, 1921						\$18,600,000.00		
Deficiency act, June 16, 1921					8,710,272.00	\$1,250,000.00	15,000,000.00	
Deficiency act, Dec. 15, 1921					25,000,000.00		40,000,000.00	
Treasury Department act, No. 145, Feb. 17, 1922						\$350,000.00		
Deficiency act, Mar. 20, 1922					20,278,930.00		73,714,182.00	
Public Act No. 216, May 11, 1922						12,000,000.00		
Independent offices act, June 10, 1922		160,000,000.00		34,970,974.65	64,638,680.00		146,409,188.80	
Increased compensation act, June 29, 1922				\$4,013,480.00				
Increased compensation acts, June 30, 1922				\$3,703,024.00				
Independent offices act, Feb. 13, 1923		118,450,000.00	90,000,000.00	50,284,063.00	48,683,710.00		120,743,000.00	
Deficiency act, Mar. 4, 1923			13,235,000.00					
Increased compensation act, Mar. 4, 1923				3,353,280.00				
Deficiency act, Apr. 2, 1924						5,000,000.00	900,000.00	
Independent offices act, June 7, 1924		83,000,000.00	88,000,000.00	48,290,000.00	42,000,000.00		89,000,000.00	
National security and defense fund allotments				4,263,000.00				
Public Act No. 292, Dec. 5, 1924						3,850,000.00	900,000.00	
Public Act No. 586, Mar. 3, 1925		127,000,000.00	98,000,000.00	45,700,000.00	35,000,000.00		38,000,000.00	
Public Act No. 36, Mar. 3, 1925		11,250,000.00	27,000,000.00			8,000,000.00		
Public Act No. 141, Apr. 22, 1926		140,800,000.00	123,000,000.00	44,165,000.00	35,000,000.00	4,000,000.00		
Public Act No. 600, Feb. 11, 1927		168,500,000.00	114,000,000.00	42,625,000.00	35,275,000.00	1,000,000.00		
Public Act No. 2, Dec. 22, 1927		19,400,000.00						
Public Act No. 400, May 16, 1928		195,000,000.00	106,750,000.00	40,135,000.00	31,675,000.00			
Public Act No. 563, May 29, 1928						7,000,000.00		
Public Act No. 778, Feb. 20, 1929		191,450,000.00	115,250,000.00	43,625,000.00	31,650,000.00	6,000,000.00		

1 Administered by Public Health Service.

2 Administered by Treasury Department.

3 Allotments to the Bureau of War Risk Insurance, Public Health Service, and United States Veterans' Bureau from appropriations made to the Treasury Department for increased compensation of employees.

4 Administered by Supervising Architect.

Statement as of June 30, 1931, showing appropriations made for relief of World War veterans to end of fiscal year 1931 and for veterans of all wars for fiscal year 1932—Continued

Act	Military and naval family allowance	Military and naval compensation	Insurance	Administration	Hospitalization	Hospital construction	Vocational training	Bonus allowance
Public Act No. 1035, Mar. 4, 1929				\$2,494,152.00				
Public Act No. 78, Mar. 26, 1930			\$7,250,000.00			\$8,000,000.00		
Public Act No. 158, Apr. 19, 1930		\$196,000,000.00	120,000,000.00	45,625,000.00	\$35,600,000.00	2,000,000.00		
Public Act No. 519, July 3, 1930		2,203,000.00						
Public Act No. 612, Feb. 6, 1931		36,250,000.00						
Public Act No. 720, Feb. 23, 1931		267,327,025.00	121,500,000.00	110,385,707.00		11,350,000.00		
Public Resolution No. 138, Mar. 4, 1931						5,000,000.00		
Deficiency Act No. 869, Mar. 4, 1931		18,150,000.00		3,430,037.72	4,000,000.00			
Miscellaneous appropriations for relief of individuals								
Total	\$298,615,000.00	2,131,927,025.00	1,046,985,000.00	577,753,624.37	523,433,112.00	103,945,000.00	\$718,666,370.80	\$237,979,340.00

Act	Payment of claims	Adjusted compensation			Marine and seamen's insurance	Army and Navy pensions	State and Territorial homes	Miscellaneous	Total
		Administration expenses, 1924-25	Certificate fund	Dependent pay					
Public, No. 20, June 12, 1917					\$50,000,000.00				\$50,250,000.00
Public, No. 90, Oct. 6, 1917									176,250,000.00
Deficiency Act, Mar. 28, 1918									1,537,800.00
Public, No. 178, June 27, 1918									2,060,000.00
Legislative act, July 3, 1918									3,591,000.00
Deficiency act, Nov. 4, 1918									77,680,000.00
Public, No. 254, Feb. 24, 1919									237,979,340.00
Legislative act, Mar. 1, 1919									10,980,630.00
Public, No. 326, Mar. 3, 1919									9,835,333.00
Deficiency act, June 5, 1919									42,044,500.00
Naval act, July 11, 1919									1,000,000.00
Deficiency act, July 11, 1919									4,500,000.00
Public, No. 11, July 11, 1919									6,000,000.00
Sundry civil act, July 19, 1919									110,010,000.00
Deficiency act, Nov. 4, 1919									9,863,176.00
Deficiency act, Dec. 24, 1919									32,000,000.00
Deficiency act, Mar. 6, 1920									70,000,000.00
Deficiency act, May 8, 1920									7,668,187.00
Legislative act, May 29, 1920									10,324,400.00
Naval act, June 4, 1920									100,000.00
Sundry civil act, June 5, 1920									261,295,000.00
Deficiency act, June 5, 1920									9,350,000.00
Increased compensation, June 30, 1920									1,515,000.00
Deficiency act, Mar. 1, 1921									1,400,000.00
Legislative act, Mar. 3, 1921									7,400,400.00
Sundry civil act, Mar. 4, 1921									223,300,000.00
Public, No. 384, Mar. 4, 1921									18,600,000.00
Deficiency act, June 16, 1921									24,960,272.00
Deficiency act, Dec. 15, 1921									65,000,000.00
Treasury Department act, No. 145, Feb. 17, 1922									350,000.00
Deficiency act, Mar. 20, 1922									93,993,112.00
Public Act No. 216, May 11, 1922									12,000,000.00
Independent offices act, June 10, 1922									406,033,843.45
Increased compensation act, June 29, 1922									4,013,480.00
Increased compensation acts, June 30, 1922									3,703,024.00
Deficiency act, July 1, 1922	\$25,000.00								25,000.00
Independent offices act, Feb. 13, 1923									428,160,773.00
Deficiency act, Mar. 4, 1923									13,235,000.00
Increased compensation act, Mar. 4, 1923									3,353,280.00
Deficiency act, Apr. 2, 1924									5,900,000.00
Independent offices act, June 7, 1924									350,290,000.00
National security and defense fund allotments									4,268,000.00
Public Act No. 292, Dec. 5, 1924		\$1,188,500.00	\$100,000,000.00	\$26,629,398.00					132,567,898.00
Public Act No. 586, Mar. 3, 1925			50,000,000.00	12,000,000.00					405,700,000.00
Public Act No. 36, Mar. 3, 1926			70,000,000.00						116,250,000.00
Public Act No. 141, Apr. 22, 1926			116,000,000.00						462,965,000.00
Public Act No. 600, Feb. 11, 1927			112,000,000.00						473,400,000.00
Public Act No. 2, Dec. 22, 1927									19,400,000.00
Public Act No. 400, May 16, 1928			112,000,000.00						485,560,000.00
Public Act No. 563, May 29, 1928									7,000,000.00
Public Act No. 778, Feb. 20, 1929			112,000,000.00						499,975,000.00
Public Act No. 1035, Mar. 4, 1929									2,494,152.00
Public Act No. 78, Mar. 26, 1930									15,250,000.00
Public Act No. 158, Apr. 19, 1930			112,000,000.00						511,225,000.00
Public Act No. 519, July 3, 1930									2,200,000.00
Public Act No. 612, Feb. 6, 1931									36,250,000.00
Public Act No. 720, Feb. 23, 1931			112,000,000.00			\$222,000,000.00	\$600,000.00		845,162,732.00
Public Resolution No. 138, Mar. 4, 1931									5,000,000.00
Deficiency Act No. 869, Mar. 4, 1931									25,580,037.72
Miscellaneous appropriations for relief of individuals								\$287,251.68	287,251.68
Total	25,000.00	1,188,500.00	806,000,000.00	38,629,398.00	50,000,000.00	222,000,000.00	600,000.00	287,251.68	6,848,039,621.58

NOTE.—Original appropriations only shown in this table. Does not include any balances from appropriations reappropriated.

Mr. JONES. Mr. President, I also present current information showing activities of the Veterans' Administration with reference to soldiers and ask unanimous consent that the same printed in the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The matter referred to is as follows:

ACTIVITIES OF VETERANS' ADMINISTRATION, OCTOBER 31, 1931

As of October 31, 1931, 42,121 veterans whose hospitalization was authorized by the Veterans' Administration were receiving treatment. Of this total, 7,564 were being hospitalized for tubercular ailments, 18,728 for neuropsychiatric diseases, and 15,829 for general medical and surgical conditions. To provide the care and treatment required by the above veterans the Veterans' Administration was utilizing 321 hospitals and homes, as follows:

Branch of service	Number of hospitals	Patients remaining
Veterans' Administration	65	32,354
U. S. Marine	17	932
U. S. Navy	16	4,267
U. S. Army	7	1,939
Department of Interior	2	332
Civil and State	214	2,297
Total	321	42,121

As of the above date there were 30,148 members on the rolls of the Veterans' Administration homes, and of this number 7,428 were absent.

In addition to hospital care and treatment, the Veterans' Administration also provides out-patient relief to veterans of the World War whose disabilities are such as not to require hospital treatment. During the year ended October 31, 1931, 838,845 out-patient treatments were given and a total of 2,138,258 physical examinations were made for all purposes.

As of October 31, 1931, 313,848 veterans were receiving compensation for disabilities incurred in, resulting from, or aggravated by military service during the World War. Compensation was also being paid to dependents of 96,787 veterans whose death occurred in or resulted from service in the World War. The amount of compensation payments, depending upon the degree of impairment, ranges from \$8 per month for a temporary partial disability to \$200 per month for a double permanent and total disability.

A general classification of disability by type shows the following per cent: Neuropsychiatric diseases, 21 per cent; tubercular ailments, 20 per cent; and general medical and surgical conditions, 59 per cent. The average monthly payment by type of disability is as follows: Neuropsychiatric diseases, \$55.93; tubercular ailments, \$61.67; and general medical and surgical conditions, \$34.40. The average monthly payment for disability compensation, all types, is \$44.28.

The number of active awards for disability compensation has increased 130,756 since June 30, 1923. The above increase distributed by the major types of disability is as follows: Neuropsychiatric diseases, 36,899; tubercular ailments, 20,654; general medical and surgical conditions, 73,205. The largest material increase during the above period is shown for veterans suffering from general medical and surgical conditions. However, the greatest per cent of increase is shown for neuropsychiatric diseases, the increase in this class being approximately 131 per cent, as compared with 50 per cent and 65 per cent for tubercular ailments and general medical cases, respectively.

July 2, 1926, an amendment was passed authorizing the payment of compensation at the rate of \$50 per month to veterans who have had an active tubercular ailment which has reached a condition of complete arrest. As of October 31, 1931, 42,811 veterans were receiving compensation under this amendment.

As of May 24, 1928, the act was approved which provides for the retirement of emergency officers of the Army, Navy, and Marine Corps who incurred physical disabilities in line of duty during the World War. This act provides that those officers who are rated not less than 30 per cent permanently disabled from disabilities resulting directly from war services or incurred in line of duty shall be retired with pay at a rate of 75 per cent of the pay to which they were entitled at the time of discharge from their commissioned service. As of October 31, 1931, 13,120 applications had been received, and of this number 6,902 had been retired with pay, 5,260 applications had been disallowed, and 951 had been retired without pay. The act further provided that the time limit for filing applications would expire 12 months after the passage of the act. However, 855 applications for retirement have been received subsequent to the expiration of the time indicated.

An amendment to the World War veterans' act was approved July 3, 1930, authorizing the payment of disability allowance to veterans of the World War for disabilities resulting from other than military and naval service which was not the result of the veterans' own willful misconduct. As of October 31, 1931, 664,236 applications for this type of benefit had been received, 580,901 of these claims had been adjudicated, and 294,286 veterans were receiving payment under the provisions of this amendment.

Monthly disbursements for compensation, emergency officers' retirement pay, and disability allowance cases were more than \$21,000,000 for the fiscal year 1931. To October 31, 1931, the amount of \$1,995,925,164 had been disbursed for these purposes. Pension benefits for veterans of all wars, including the Regular Establishment, are being paid to 255,269 soldiers, 542 nurses, and to the widows and dependents of 193,617 deceased soldiers. The average monthly disbursement for pensions was approximately \$19,500,000 during the fiscal year 1931. During the period 1790 to October 31, 1931, the amount of \$8,482,600,955 had been disbursed for this purpose.

As of October 31, 1931, term insurance was being paid in monthly installments to 12,914 permanently and totally disabled World War veterans and to the beneficiaries of 139,751 deceased veterans. In addition, 1-sum payments had been made to beneficiaries of 22,811 deceased veterans.

The benefits made available by the provisions of the World War adjusted compensation act have been extended to 3,865,276 veterans, or dependents of deceased veterans. The value of such benefits is \$3,646,035,116. Of the above veterans, 3,608,694 have received adjusted-service certificates, which are equivalent to 20-

year endowment insurance having a value of \$3,600,595,339. The remaining veterans, or their beneficiaries, have received cash payments amounting to \$41,756,940. Awards have been made on 113,119 adjusted-service certificates, amounting to \$114,186,950, which have been matured by the death of the veteran.

An amendment to the World War adjusted compensation act, effective February 27, 1931, provides that the loan basis of adjusted-service certificates shall at no time be less than 50 per cent of the face value of the certificate, and the rate of interest on any loan made after the effective date of this amendment shall not exceed 4½ per cent per annum, compounded annually. As of October 31, 1931, the Veterans' Administration had made loans direct to veterans, secured by their adjusted-service certificates, amounting to approximately \$1,161,594,710. In addition to this amount, it is estimated that \$75,000,000 is outstanding on loans made by banks.

Beginning with the act of March 3, 1919, the first legislation providing funds for the acquisition of hospital facilities for World War veterans, the Congress has to date authorized under eight general acts the sum of \$113,327,000 for new hospital, domiciliary, and out-patient facilities, of which \$97,450,000 had been appropriated to June 30, 1931. In addition, the Congress has over the same period authorized by special acts covering single projects the sum of \$9,425,000 for new domiciliary and hospital construction at administration homes. Further, there has been expended since 1923 over \$14,000,000 from regular fiscal funds for permanent improvements and extensions to veterans' hospitals.

A total of \$14,810,349,455 had been disbursed as of October 31, 1931, for the relief of veterans of all wars, their dependents, or beneficiaries. Of this amount, \$8,482,600,955 was paid for Army and Navy pensions from 1790 to date, and \$251,531,475 was paid for hospitalization and domiciliary care in administration homes from 1867 to date. Of the total disbursements, \$942,716,572 was made available by deduction for allotment from the pay of World War veterans while in service, and from amounts collected as premiums on the various forms of Government insurance.

Veterans' Administration

SUMMARY OF ACTIVITIES AS OF OCTOBER 31, 1931

PENSIONS

	Soldiers	Widows, etc.	Nurses	Total
Number on rolls by wars, end of month	255,269	193,617	542	449,428
1812		8		8
Mexican		521		521
Indian	5,295	4,375		9,670
Civil	36,975	149,830	22	186,827
Spanish-American	195,666	34,620	520	230,806
Regular Establishment	17,293	4,251		21,544
World War	40	12		52
Claims received during month	7,215	1,332		8,547
Indian	146	59		205
Civil	331	672		1,003
Spanish-American	5,405	449		5,854
Regular Establishment	1,333	152		1,485
Claims disposed of during month	7,091	1,324		8,415
Allowed	4,635	975		5,610
Disallowed	2,249	318		2,567
Terminated	207	31		238
Deaths during month	1,068	1,124	3	2,195
Claims pending end of month	24,613	6,516		31,129
Indian	243	335		578
Civil	385	251		636
Spanish-American	16,299	5,172		21,471
Regular Establishment	7,686	758		8,444

	Pension examiners	Veterans' Administration homes	Veterans' activities	Other no-fee agencies	Total
Examinations:					
Authorized	3,076	307	2,092	135	5,610
Effectuated	3,140	302	2,265	137	5,844

¹ Dependents of 193,617 deceased veterans.

² Includes 17 miscellaneous.

³ Includes 15 miscellaneous.

CIVIL SERVICE RETIREMENT ACTIVITIES

	Age	Disability	30-year service	Involuntary separation	Total
Claims for annuities:					
Annuity on roll end of month	15,669	5,242	1,157	1,393	23,461
Claims received during month	248	192	83	23	546
Claims allowed during month	180	126	69	16	391
Claims rejected during month	2	23	1	1	27
Claims pending end of month	360	555	84	111	1,110

CIVIL SERVICE RETIREMENT ACTIVITIES—continued

	Accrued annuities	Refunds, pay deduction	Accumulated deductions	Serv-ice credits	Unex-pended balance	Total
Other claims:						
On file end of month.....	\$7,673	\$395,610	\$24,512	\$12,292	\$516	\$440,603
Claims allowed to date.....	7,369	392,259	23,988	10,521	417	434,554
Claims rejected to date.....	30	56	7	10		103
Claims dismissed to date.....	21	2,798	69	1,555		4,443
Claims pending end of month.....	253	497	448	206	99	1,503
Disposed of during month—						
Allowed.....	136	1,594	362	755	62	2,909
Dismissed.....		3		5		8

VETERANS' ADMINISTRATION HOMES—MEMBERSHIP OF HOMES BY WARS AND REGULAR ESTABLISHMENTS

	Present		Absent
	In barracks	In hospitals	
Number on rolls end of month.....	16,398	6,412	7,428
Civil War.....	328	440	263
Spanish American War and Philippine insurrection.....	3,670	920	1,584
World War.....	10,691	4,143	5,028
Regular Establishment:			
1866-1898.....	411	164	101
1902-1917.....	597	245	185
1921 to date.....	611	500	267
Gains during month.....			3,607
Losses during month.....			2,485

Bed capacity for veterans receiving domiciliary care:	
Total beds available.....	17,250
Occupied.....	16,269
In barracks.....	14,725
Extra-duty beds.....	1,544
Unoccupied.....	981
In barracks.....	888
Extra-duty beds.....	93

UNITED STATES GOVERNMENT LIFE INSURANCE

	Number	Amount
Applications received.....	908,348	
Applications approved to date.....	865,846	\$3,865,330,679.00
Premiums received monthly:		
June, 1931.....		5,184,657.98
July.....		7,386,138.30
August.....		5,263,052.74
September.....		4,460,046.04
Total received in premiums to date.....		1,541,086,557.50
Insurance in force:		
20-payment life.....	166,126	724,798,401.74
20-year endowment.....	122,765	360,292,873.99
Ordinary life.....	140,145	746,673,310.18
30-year endowment.....	34,021	145,427,964.93
Endowment at 62.....	34,377	166,527,938.72
30-payment life.....	28,818	147,746,621.52
Extended insurance.....	21,863	67,103,515.13
5-year convertible term insurance duration less than 5 years.....	97,690	663,159,629.20
5-year convertible term insurance duration more than 5 years.....	186	1,089,000.00
Total.....	645,991	3,022,819,255.41

¹ As of Sept. 30, 1931.

GUARDIANSHIP

	Veterans	Other incompetents	Minors	Total
Fiduciaries:				
Guardians for.....	28,267	3,160	23,063	54,490
Custodians for.....	7	13	7,383	7,403
Institutional awards.....	3,346			3,346
Total.....	31,620	3,173	30,446	65,239
Wards:				
Under guardian only.....	25,501	2,925	31,234	59,660
Institutional award only.....	580			580
Both guardian and institutional.....	2,766			2,766
Under custodian.....	7	13	10,088	10,108
Total.....	28,854	2,938	41,322	73,114

MEDICAL

Number of treatments given outside hospitals during October.....	73,359
Number of patients admitted to hospitals during October.....	114,105
Number of examinations made during October:	
For disability compensation.....	64,472
For disability allowance.....	74,057
For insurance.....	3,225
For hospitalization.....	23,465

¹ 345 civilian employees occupy domiciliary beds.² Current figures from field reports. Includes all admissions to Veterans' Administration homes.

MEDICAL—continued

Number of examinations made during October—Continued.	
For out-patient treatment.....	8,743
For Civil Service Commission.....	1,014
For Employees' Compensation Commission.....	193
For pension.....	5,693
For allied pensions.....	693
For membership in Veterans' Administration homes.....	557
Total.....	182,112

VETERANS RECEIVING TREATMENT IN HOSPITALS

Kind of hospital	Tubercu-losis	Neuro-psychi-atric	General medical and surgical	Total
Veterans.....	5,318	15,489	5,542	26,349
Veterans' Administration homes.....	1,120	897	3,988	6,005
Public Health.....	28	8	896	932
Army.....	477	183	1,279	1,939
Navy.....	194	456	3,617	4,267
Interior Department.....		320	12	332
Contract.....	427	1,375	495	2,297
Total.....	7,564	18,728	15,829	42,121

HOSPITALS IN USE

Veterans.....	55
Veterans' Administration homes.....	10
Other Government.....	42
Contract.....	214

CLAIMS

	Compensation		Term insurance		U. S. Govern-ment life insurance	
	Death	Disabili-ty	Dea h	Disabili-ty	Death	Disabili-ty
Claims filed to date.....	229,310	1,049,126	218,341	37,794	121,572	8,774
Claims allowed.....	120,567	492,686	173,235	16,224	17,584	6,570
Active.....	96,787	313,848	139,751	12,914	2,012	6,174
Terminated.....	23,780	178,838	10,673	3,310	17	395
Payment of claims com-pleted.....			22,811		15,555	1
Lump sum.....			22,811		13,941	1
Installments expired.....					1,614	
Claims disallowed.....	108,190	526,868	43,542	21,501	3,667	1,945
Claims pending.....	553	29,572	1,564	69	280	221
Claims filed during October, 1931.....	157	6,016	13	65	240	142
Commuted value of claims allowed to date.....			\$1,597,422,542.90		\$133,110,857.96	
Commuted value of active claims Oct. 31.....			1,296,132,713.14		49,932,201.13	
Commuted value of claims completed:						
Lump sum.....			114,700,413.68		74,760,871.26	
Installments expired.....					5,551,056.94	

¹ Includes 41 claims suspended from pending file awaiting further information.² Includes 38 claims suspended from pending file awaiting further information.

EMERGENCY OFFICERS' RETIREMENT

Retired with pay.....	6,902
Receiving retirement pay.....	6,459
Terminated by death.....	443
Retired without pay.....	951
Disallowed.....	5,260

DISABILITY ALLOWANCE

Applications on file.....	664,235
Applications acted upon:	
Allowed.....	310,038
Active.....	294,286
Terminated.....	15,752
Disallowed.....	270,863
Applications pending.....	83,335

ADJUSTED COMPENSATION

Action	During October		Total to date	
	Number	Amount	Number	Amount
Applications received.....	41,357		3,929,128	
Applications acted upon:				
Cash payments—				
Veterans (\$50 or less).....	4,932	\$148,931.75	142,380	\$4,858,703.96
Dependents (less than \$50).....	64	1,721.00	7,650	207,292.00
Total cash payments.....	4,996	150,652.75	150,030	5,065,995.96
Dependents (\$50 or over).....	538	161,302.00	106,552	37,515,022.00
Certificates.....	28,326	16,757,720.00	3,608,694	3,600,595,339.00
\$60 lump-sum payments.....		13,380.00		2,858,760.00
Total.....	33,860	17,083,054.75	3,865,276	3,646,035,116.96
Death claims approved.....	1,437	1,460,717.00	113,119	114,186,950.00

"BUSINESS DEFEATISM AND ECONOMIC RECOVERY"—ADDRESS BY
DR. GLENN FRANK

Mr. WALSH of Montana. Mr. President, some time ago there was delivered in this city an able address on the subject of "Business Defeatism and Economic Recovery," by Dr. Glenn Frank, president of the University of Wisconsin. As certain parts of the address bear a direct relation to the payment of war debts and related subjects, I ask permission to read it.

The VICE PRESIDENT. Without objection, permission is granted.

Mr. WALSH of Montana. Doctor Frank spoke as follows:

I

The French have a word, "defaitiste," to describe the man who in spirit or policy or procedure makes for his country defeat in time of war, and in war time a nation's defeatists are kept under strict observation. I suggest that America has just now a growing body of business defeatists upon whom the Nation could profitably keep a weather eye.

The supreme battle of this generation is on just now in business circles between the deflationists and the consumptionists. The deflationists are those business leaders who think that the way out of the current economic muddles lies in reducing the standards of living. The consumptionists are those business leaders who think that the way out of the current economic muddle lies in raising the standards of living.

This is, I know, an oversimplified definition alike of deflationism and of consumptionism, but it does have the merit of cutting through a thousand and one details to the heart of the difference between these two major camps of business leadership that to-day confront one another.

The deflationists of to-day are blood brothers of the inflationists of yesterday, and they are just as bat blind to economic and social realities. The inflationists of yesterday brought the stock market to collapse. The deflationists of to-day will bring our entire business system to collapse if they succeed in seducing the majority of American business men, bankers, and industrialists, to their point of view. To speak with brutal frankness—and the times call for that sort of speaking—the deflationists are, in my judgment, little men riding in big saddles, seeking to lead a business army to which they have nothing to bring except the strategy of their fear. They are big business men who have fallen short of being big business men.

It is of this problem of the conflict between the deflationists and the consumptionists in relation to the current economic depression that I want now to speak.

Along the entire frontier of western civilization the forces that have made for the collapse of markets, the retardation of economic enterprise, and the unsettlement of mass confidence in current leadership are to-day challenging the worth and the workability of the western economic order. And in the midst of this world-wide economic depression the forces of education and the forces of industry are occupying the two most heavily shelled sectors of the western world's social battle line. We do not yet know what the outcome of this challenge and of this contest will be. The forces of education and the forces of industry may be beaten into panic retreat by the disintegrative forces of revolution or by the integrative forces of dictatorship. The captains of education and the captains of industry may rest content with defensive tactics, dig themselves more deeply in, and do no more than hold their own for some time to come. Or they may evolve a fresh strategy of advance and move forward to new conquests of economic prosperity and social good.

I am not foolhardy enough to venture a prophet's guess among these three possibilities. I am content to say that I think the third outcome is possible, and that it lies very largely with the leadership of education and the leadership of industry to say whether or not it shall be realized.

The United States is, at the moment, in the midst of the most serious economic crisis in its history. Even with markets tumbling about our ears and with salesmen reluctantly reporting their quotas unfilled, there is, save for the bread lines in our congested centers, a bright delusive air of well-being among our people that tends to hide from the average American the deeper significance of the depression through which we are passing. We have known phases of slowing down in which the American people, as a whole, were on a lower level of living than now, but in its basic character the current depression is unlike and more serious than any depression that has preceded it. It is the first general crisis that has befallen us since our machine economy has come to measurable maturity. It is not a matter of momentary maladjustment in any one section of the world. It is not a matter of momentary speculative mania disrupting an otherwise statesmanlike and stable economic program. There is nothing to be gained by beating about the bush. The entire economic order of the western world has reached an impasse from which only the most clear-headed, creative, and courageous educational, industrial, and political leadership can extricate it.

II

That this is not the facile generalization of a frightened academician is proved, I think, by four obvious but all too generally overlooked aspects of this depression, viz:

First. The current economic depression is not simply American; it is world-wide. I call a partial roll of the areas that are, in varying degrees, to-day feeling the impact of one aspect or another of economic depression: The United States, Great Britain, Canada, India, Australia, Germany, Italy, Sweden, Switzerland, Poland, Czechoslovakia, the East Indies, the Netherlands, Mexico, Chile, Peru, Brazil, Argentina, and so on. We are in the presence, gentlemen, of a world phenomenon. The Americas, Europe, Asia, Africa, and the Antipodes—all stand to-day as if some subtle spell of economic witchcraft had been put upon them.

Second. The current economic depression is not simply a financial depression; it is industrial as well. We should to-day be wrestling with forces of economic retardation even if there had been no black October in the 1929 operations of the stock exchange. The market debacle was but an eddy in a major current of economic tendency. In the United States significant sections of industry, such as the automobile industry, had been reaping the easy harvest of a first-sale market and were beginning to reach the point at which, by and large, the market was settling down to a matter of replacements and of meeting the new needs created by normal growth of population or by radically new departures in design, quality, and price. American business and industry were catching up on the postponed building and buying that had kept the air electric with enterprise in the immediate postwar decade. Various artificial stimuli to business, such as installment buying and the mania for annual models, were rounding out their pioneer push and settling down to a normal pace of development. And throughout the world the potential energies of the machine age were beginning to feel the irrational restrictions of tariffs and trade policies that had been created by an obsolete political leadership, tariffs and trade policies that stood and still stand in utter violation of the clear conclusions of common sense and of all the canons of constructive statesmanship. The current depression is more than a faux pas of the financiers, it is a kind of judgment day for industrial leadership. We might reform the stock exchange and still the ghost of this depression would not down, for it sinks its roots in all the policies and processes of our industrial order.

Third. The current depression is not simply financial and industrial in its scope; it is agricultural as well. I need not, I am sure, argue this assertion. Alongside the world-wide industrial depression there is a world-wide agricultural depression, again emphasizing the fact that the phenomenon we are facing goes to the very foundations of the economic order of the West in particular and of the world in general. The agricultural aspect of the current depression strikes, with utter impartiality, exporting and importing countries alike. Such exporting countries as the United States, Canada, and Australia are hit by an agricultural depression due primarily to economic and secondarily to political causes. Such importing countries as Germany and England are hit by an agricultural depression due primarily to political and secondarily to economic causes. For every existing agricultural surplus in any part of the world there are somewhere in another part of the world undernourished bodies enough to absorb it. But we seem not to be able to muster a statesmanship that can lift the peoples of these areas of underconsumption to the level of paying customers and bring the supply into contact with the need. And so we must admit a bankruptcy of leadership and shame ourselves by confessing a world-wide agricultural depression that would be unthinkable to a really intelligent race.

Fourth. The current economic depression is not marked by an overproduction of manufactured goods alone; it is marked by an overproduction of raw materials as well. In the last decade or two there has been a staggering increase in the production of raw materials and foodstuffs. From 1909 to 1914 the average world production of sugar was 19,363,000 short tons. By 1929 it had jumped to 29,970,000 tons, or, roughly, a 50 per cent increase. In less than two decades the United States increased its wheat acreage from 47,000,000 to 61,000,000 acres, while Australia and Canada more than doubled theirs. The world had a full year's supply of coffee on hand when this year's crop was ready for harvest. The world output of tea jumped in four years from 856,000,000 to 945,000,000 pounds. Rubber jumped from 51,000 to 68,000 long tons. From 1926 to 1929 the world output of tin jumped from 145,000 to 195,000 metric tons, lead from 1,606,000 to 1,775,000 metric tons, zinc from 1,245,000 to 1,470,000 metric tons, and copper from 1,485,000 to 1,908,000 metric tons. This expansive output of raw materials is again a world-wide phenomenon. From 1910 to 1914 Australia's average wheat production was 90,497,000 bushels. Twelve years later it had jumped to 160,762,000 bushels. In 1913 Australia's wool production was 711,500,000 pounds. In 1927 it had jumped to 883,304,000 pounds. In 1913 Chile's output of copper was 93,147,000 pounds. In 1928 it had jumped to 528,487,000 pounds. And even in the face of the rapid development of synthetic nitrates in Germany, England, and the United States, the output of Chilean nitrates jumped from 2,772,000 metric tons in 1913 to 3,163,000 metric tons in 1928. I take these figures, more or less at random, and with no attempt to paint a complete picture, in order to emphasize the fact that the current glut of manufactured goods is not the whole story of the current depression.

We are face to face, then, with a phase of economic depression that is world-wide in scope; financial, industrial, and agricultural in character; and marked by a sluggish surplus alike of manufactured goods and of raw materials. But to-day I want to do no more than suggest a point of view respecting the industrial depression in the United States, and say what I think

it implies by way of challenge to the leadership of education and the leadership of industry.

III

As the United States swung into the closing months of 1929 our machine order was never more efficient, from the point of view of potential productive capacity, but our economic order found itself swamped rather than served by the efficiency of the machine order. (I use these terms "machine order" and "economic order" in a more severely separate and limited sense than the technical economists use them. By the machine order I mean the whole array of processes by which we make goods and produce wealth; by the economic order I mean the whole array of policies by which we use goods and distribute wealth.) Never was there less defensible excuse for economic depression than in the closing months of 1929. There was no shortage of money. There was no shortage of basic resources. There was no lack of willing hands to work. There was no lack of productive efficiency. There was no plague-like adversity of wind or weather. There was no insect pest, either nation-wide in its ravages or seriously out of hand. There was no invader hammering at our gates to terrify our spirits and to disrupt the normal processes of our enterprise.

On the contrary! There was an ample money supply. There was a surplus of nearly all basic resources. There were millions of workers ready to work. The productive efficiency of the Nation was such that the needs of its people and much besides could have been easily supplied with shorter working days and a shorter working week. At no moment in human history had a people found itself in possession of so nearly all of the material essentials for a great and glowing civilization. It was at such a moment that the United States found the shadow of a serious economic depression falling athwart its life.

At the very moment when the market collapse and economic retardation befell it the United States was basically at the point toward which the dreams of prophets and seers have pointed through the centuries. As we reread the literature of Utopian thought and list the things that the social seers have with striking unanimity set down as elementary requirements of an ideal society we find that the United States was in position to provide them all in the closing months of 1929. It had invented machines enough to emancipate its people from drudgery. It had achieved a productive efficiency that made possible the production of everything its people needed without their slaving from dawn to dusk. Leisure in which to laugh and love and adventure among things of the mind and spirit was within the Nation's grasp.

And yet, just when we had reached the point at which emancipation from drudgery, the capacity to produce all the essentials of material well-being without the slavery of inhuman hours, and the potential achievement of prosperity and leisure for all were at hand, we found ourselves victimized by a financial debacle, an economic recession, and a vast social unsettlement in which men walked hungry in the midst of plenty. What must the gods have thought as they watched this tragedy-comedy!

I do not want to join the oversimplifiers and bring a false clarity to a situation that is admittedly complex. The cause of the current economic situation can not be captured in a phrase nor its cure distilled in an epigram. But one thing is, I think, sun clear: The leadership that has developed our policies for using goods and distributing wealth has proved inferior to the leadership that has developed our processes for making goods and producing wealth. We can not, of course, tear the machine order and the economic order apart in our thinking. They are too intimately interlocked. But in the deepest sense I think it is accurate to say that the current depression is, in essence, an indictment, not of the machine order but of the economic order.

IV

Let me translate these abstract observations into concrete terms. It is by now a threadbare platitude—even if a young platitude—to say that our machine economy is in trouble because our capacity to purchase has not kept pace with our capacity to produce.

Following the war some of the more far-sighted leaders of American business and industry adopted a new credo that said a stable and widely distributed prosperity and healthy industrial development required high wages, short hours, and low prices. This ran contrary to the naïve business thinking of earlier generations, that said low wages, long hours, and high prices made for maximum profit. But outstanding industries throughout the United States proved by their balance sheets that high wages, short hours, and low prices were not only good for the masses but good for the manufacturers. And we are in the grip of depression now, not because we followed this new credo of business, but because we did not follow it generally enough or apply it far enough.

The simple fact is that a machine economy must, along with the making of commodities, see to it that the consuming millions have money with which to buy and leisure in which to enjoy the products the machine economy creates. And that means higher wages than we have yet paid, shorter hours than we have yet set, and lower prices than we have yet fixed. Our machine economy is to-day sinking us in a sea of surplus production that could, if we were statesmanlike enough, be used to the advantage of ourselves and of the world. I decline to concur with the observers who insist that we are producing too many goods. There are 120,000,000 of us in this Nation, and as a people we have far from satisfied the legitimate demands of a healthy and civilized folk. There is a whole world outside our frontiers in which millions upon millions

of men and women are living far below the consumption level we have known and that health and civilized values dictate. If we are at all sensitive to the physical and spiritual needs of humanity, to say that we are now or shall be for generations to come at a point where humanity is surfeited with goods and services it does not need for better living is to me too incredible to consider seriously.

But that we are producing more goods than the consuming millions are able to purchase is obvious. Production and consumption are seriously out of balance. There are two obvious ways to deal with this disturbed balance between production and consumption. We can slow down production by deliberate policy or we can speed up consumption by deliberate policy. I shall not attempt to disguise my conviction that to throw the brakes on our productive capacity would be a coward's policy and a social retreat. We have evolved a machine economy that can, if we will but bring a far-sighted statesmanship to its direction, emancipate the race from drudgery, lift the standard of physical well-being throughout the world, and give mankind at last leisure in which to cultivate values that lie beyond economics. But the machine economy will never do these things unless and until the leadership of industry sees to it that a larger share of the national income is shifted into the pockets of the consuming millions and until the margin of leisure for the millions is markedly increased. And if and when the leadership of industry assumes as one of its major duties increasing the income and the leisure of the millions, it will discover that as a by-product of this statesmanlike social ministry it has made greater profits than ever before.

A simple and single challenge lies coiled at the heart of this depression: Will the leadership of industry prove as capable in producing civilized consumers as it has proved itself capable in producing consumable commodities? Unless it does, industrial leadership must resign itself to the certainty that our machine economy will slump into chronic depression and ultimate collapse.

V

The logic of events is at last proving that the basic policies that will prove best for labor are the policies that will prove best for capital, and vice versa. It is at last evident that it is to the best interests of business that a larger share of the national income shall find its way into the hands of the masses who buy consumable commodities.

It is obviously self-defeating for business to get itself into the position to produce vast quantities of goods unless at the same time it sees to it that there are vast masses of potential consumers ready with money to buy and leisure in which to use the goods that business produces.

In the entire history of business America, every general reduction of hours and every general rise in wages, however bitterly fought by business and industrial leadership at the time, has been followed by a fresh accession of business activity and general prosperity. It is one of the ironies of history that the very things for which labor and liberalism have pleaded through the generations, on the ground of simple social justice, namely, high wages, short hours, low prices, are now seen to be the only things that can, in the interest of the solvency of capitalism, keep our industrial order a going concern.

In the field of education the narrow specialist has broken down in the face of a crisis that only the broadly educated man, who can see things steadily and see them whole, could master.

In the field of industry, the machine order—which makes goods and produces wealth—has been astoundingly successful, only to find its success turned into defeat because the economic order—which has to do with using goods and distributing wealth—has not been able to make wise use of the marvelous efficiency of the machine order for the benefit of all.

By a thousand superficial tests our captains of education and our captains of industry have been successful during the decade just closed, but in the deeper sense they failed when faced with the crucial test of their careers, namely, the prevention of the current economic depression. And before they can again lay claim to success they must help us do two things, viz:

First. They must help us make our universities once more educational institutions as well as training stations for narrow specialists.

Second. They must help us make our economic order as socially efficient in its policies for using goods and distributing wealth as they have made our machine order technologically efficient in its processes for making goods and producing wealth.

VI

During the last few months, before significant bodies of business, industrial, and financial leaders, I have made the statements I am making here, the essence of which is:

If we are to insure the solvency and success of our industrial system, we must see to it that a larger share of the national income is shifted into the pockets of the consuming millions and that the margin of leisure for the millions is markedly increased in order that the masses may have money with which to buy and leisure in which to enjoy the vast flood of goods and services our magnificent machine economy is able to produce.

Twenty years ago or less this statement would have been set down as the envious and irresponsible raving of a disinherited radical. But experience—the experience of the last year—has taught many men many things. This statement has brought to my desk a flood of letters, many of them from the undisputed leaders of American business, industry, and finance, and to date

the file of these letters contains but three dissenting opinions, and not one of these was from a great business leader. If I were free to quote the contents of these personal letters, the Nation might get a new idea of some of the men at the top of the industrial order.

What is it that has led the best brains of the business and industrial world to agree that a contention considered dangerously radical 20 years ago is to-day the soundest of sound business policy? It is surely not because the big business man has turned bolshevik.

Let me try to state the case briefly. When various important industries began to slow down production in 1929 it was not because there was a lack of purchasing power in the country, but only because there was a lack of purchasing. Here is the great paradox of our industrial civilization: At the very moment when a slump in purchasing left industries with excess products there existed in the country far more than enough purchasing power to absorb all of these excess products and to call for still greater production. Why, then, did not this purchasing power come into play? Not until we know the right answer to this question will we be in position to devise workable ways and means of bringing this adequate purchasing power back into play. To me, one of the important parts of the answer is sun clear. The reason that this surplus purchasing power was kept out of active circulation was that it existed, in large part, as a social surplus that was not, from a broad national and even business point of view, properly distributed. This inactive surplus purchasing power was, in large part, in the hands of a small minority who, for personal and family consumption, neither needed nor desired to buy more; while the large majority, who for personal and family consumption both needed and desired to buy more did not have much, if any, excess purchasing power.

During the last six months I have talked with a score of conservative big business men who agree that this is, as far as the factors under our immediate control are concerned, the root fact of our current economic situation. And they say frankly that the biggest job confronting the leadership of American business and industry is what to do about the wiser distribution of this social surplus of purchasing power.

The key to national prosperity is the release of the present inactive social surplus of buying power. And a score of America's outstanding business men, bankers, and industrialists have, as I have already suggested, told me that if a larger share of this social surplus could be wisely routed into the pockets of the consuming millions who, for personal and family consumption, both need and desire to buy more, the wheels of industry and the marts of trade would quickly begin to hum with new activity, economic depression would become a memory throughout the United States, and that, in the long run, the minority now owning this surplus buying power would actually be better off as far as total wealth is concerned.

The key problem of the United States is, if I may repeat, the problem of a wise and businesslike redistribution of social buying power. Large-scale charity does a little of this redistributing. Unemployment insurance does a little more. A gigantic program of public works, financed by governmental bonds, bought by those who now have a large part of our inactive surplus buying power, and the interest and retirement of these bonds financed by taxation of this inactive surplus of buying power would go still farther in this essential redistribution of surplus buying power. A dozen governmental devices come readily to mind.

But I should like to think that we can effect this imperative redistribution of social buying power through far-sighted business, industrial, and financial leadership, without resorting to political force. And never since I have had personal contact with representative leaders of American business and industry have so many of them been giving so much serious thought to this key problem as they are to-day.

A statesmanlike administration of the triple problem of wages, hours, and prices can go far toward resolving the economic dilemma that now confronts industrial and business America. If business and industrial and financial leadership faces fresh problems with fresh minds and becomes really convinced that only prosperous consumers make profitable customers, we can create on this continent a contented and prosperous people, immune to the allurements of reckless radicalisms. But if business, industrial, and financial leadership misses this appointment with destiny, our economic order will smash, and sooner or later the inarticulate millions of America will seek to achieve through political means what our economic order has failed to achieve for them through its normal leadership.

VII

The gist of what I have tried to say is that our panicky present is the result of our planless past. If we isolate any particular enterprise in economic America, we may find that it has been managed admirably, but if we look for general economic statesmanship, we look in vain. If we permit the present to be as planless as the past has been, if we content ourselves with hastily improvised policies to jack up morale or hastily improvised protests to provide stump-speech copy for the next campaign, we shall find ourselves citizens of a fear-ridden future in which we shall be dragged at the heels of forces and fears over which we shall be able to exert no more control than we exerted over the forces that brought a bloated market to explosion in the fall of 1929.

This fear-ridden and uncontrolled future need not be. There is genius enough in America to evolve and to execute political and economic policies that will give us a future that will, in point of material well-being and social enrichment, far outstrip the very real, if somewhat spotty prosperity of the last decade. If America does not realize this finer and more fruitful future and begin her realization of it with decent promptness, it will be either because at the top we suffer a breakdown of industrial, political, and educational statesmanship or because at the bottom the people, in a moment of leaderless confusion, fanatically follow some false prophet from either the ultrareactionary or the ultraradical camp. It will not be because the cards of destiny are stacked against us. They are not. Every card in the deck is in our hands. It is a matter of playing them expertly.

WORK OF THE TARIFF COMMISSION

Mr. REED. Mr. President, I send to the desk and ask to have printed in the CONGRESSIONAL RECORD a letter from Henry P. Fletcher, late chairman of the United States Tariff Commission, inclosing a memorandum summarizing the work of that commission since its reorganization.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter and memorandum are as follows:

NOVEMBER 17, 1931.

The PRESIDENT,

The White House.

DEAR MR. PRESIDENT: I hereby tender my resignation as chairman and member of the United States Tariff Commission, effective November 30 next.

I inclose a memorandum summarizing the work accomplished since the commission was reorganized 14 months ago. This memorandum shows that, with one or two exceptions, all the investigations requested by Senate or House resolutions have been completed. The petroleum, copper, and vegetable-oil investigations are in final form and will be submitted, as requested by the resolutions, to the Congress when it assembles next month. The most important investigation now pending is that relating to raw and refined sugar, which was recently ordered and which in the nature of the case may be protracted, as growing as well as refining costs both at home and abroad are involved. Work on this and all other pending applications and investigations is proceeding as rapidly as circumstances permit.

The recent depreciation in exchange in a number of countries exporting to the United States has rendered our cost data, secured before these countries departed from the gold standard, inapplicable in view of the present instability of exchange values and negative reports were sometimes unavoidable in cases where the exchange factor entered. The facts gained in our investigations, however, are all assembled and can be utilized in case further investigation may become necessary.

The commission has been completely reorganized and is, I believe, thoroughly equipped to perform its important functions.

It is a pleasure to express my appreciation of the loyal and efficient cooperation and support I have received from my colleagues on the commission and from every member of its staff.

Faithfully yours,

HENRY P. FLETCHER.

NOVEMBER 17, 1931.

MEMORANDUM WORK OF THE UNITED STATES TARIFF COMMISSION

Since the Tariff Commission was reorganized its work may be briefly summarized as follows:

By November 30, the effective date of the chairman's resignation, 39 separate rate investigations, covering a very large number of items and different rates of duty, will have been completed and reported upon under section 336 of the tariff act. Eleven important surveys (not involving rate changes) will also have been completed.

Of the 9 investigations discontinued, 8 were dismissed by Senate resolutions; 5 applications were withdrawn by proponents; 28 applications were dismissed by the commission after careful preliminary investigation; thus 92 cases will have been disposed of.

There remains on the commission calendar 10 rate investigations and 1 survey, all in response to Senate resolutions, and 8 rate investigations of other origin, making a total of 19 investigations and surveys in progress.

Twenty-one applications for investigations are on file, some of which may be granted and some denied, depending upon the facts developed by preliminary investigation by the commission.

Thus the commission has 40 investigations, surveys, and applications on its books, compared with 92 disposed of since reorganization.

The commission is, of course, engaged in other routine work assigned to it, including the American-valuation study called for under section 340 of the tariff act of 1930, investigations under section 337, surveys, etc.

The first seven of the following surveys have been completed and the reports published, while the last four are practically completed and reports are being prepared for submission to the Congress next month:

Commodity	Investigation number	Resolution or application number
Crude-petroleum production cost	Survey	Tariff act of 1930.
Sugar differential	do	Committee on Ways and Means.
Anthracite-coal industry of Soviet Russia	do	Do.
Fish and other marine products	do	Senate Resolution 314.
Cigar-wrapper tobacco	do	
United States-Philippine tariff and trade relations	do	
Census of dyes and of other synthetic organic chemicals	do	
Petroleum, crude and refined, products thereof	do	House Resolution 391.
Copper	do	Senate Resolution 434.
Vegetable oils	do	Senate Resolution 323.
Cresote oil	do	Senate Resolution 470.

The following rate investigations (sec. 336) have been completed:

Commodity	Investigation number	Resolution or application number
Pigskin leather	16	Senate Resolution 313.
Woven-wire fencing and netting	4	Senate Resolution 295.
Ultramarine blue	8	Senate Resolution 309.
Wood flour	12	Senate Resolution 313.
Wool floor coverings, n. s. p. f.	18	Do.
Straw hats	21	Do.
Maple sugar and maple sirup	23	Do.
Fourdrinier wires and cylinder wires	22	Do.
Wool felt hats	17	Do.
Tomatoes, prepared or preserved	28	Senate Resolution 324.
Smokers' articles	14	Senate Resolution 313; application 21.
Cherries, sulphured or in brine	27	Senate Resolution 324; application 30.
Edible gelatin	38	Application 47.
Pig iron	10	Senate Resolution 309.
Bentwood furniture	36	Application 5.
Hides and skins	24	Senate Resolution 313.
Cheese	26	Senate Resolution 324; application 59.
Bells	3	Senate Resolution 295.
Organs	13	Senate Resolution 313; application 18.
Dried eggs	42	Senate Resolution 389; application 29.
Hemp cords	56	Application 8.
Olive oil	25	Senate Resolution 324.

Hearings have been held and reports are being prepared for submission to the President before November 30 in the following investigations:

Commodity	Investigation number	Resolution or application number
Tomatoes in their natural state	45	Senate Resolution 414; application 7.
Peppers in their natural state	46	Senate Resolution 414; application 6.
Peas, green or unripe	47	Senate Resolution 414.
Beans, snap or string, green or unripe	58	Application 32.
Lima beans	50	Application 32.
Eggplant in its natural state	48	Application 31.
Cucumbers in their natural state	49	Do.
Okra	51	Application 33.
Pineapples	41	Senate Resolution 397; applications 34 and 44.
Pens	39	Senate Resolutions 360 and 438.
Window glass	20	Senate Resolution 313.
Crin vegetal, Spanish moss, flax tow	54	Senate Resolution 408.
Cement	5	Senate Resolution 295.
Lumber and timber	19	Senate Resolutions 313 and 321; applications 38 and 5.
Gauge glass tubes	57	Application 79.
Crude feldspar	63	Application 90.
Boots and shoes	1	Senate Resolutions 313 and 295.
Blown glass tableware	35	Senate Resolution 330; application 28.
Furniture of wood	2	Senate Resolution 295; application 2.

The following is a list of investigations undertaken mostly in response to Senate resolutions, which were rescinded and dismissed before public hearings were held largely in response to withdrawal of Senate resolutions:

Commodity	Investigation No.	Resolution or application No.
Shoe laces	7	Senate Resolution 308.
Laces	11	Senate Resolution 311.
Reptile leather	15	Senate Resolution 313.
Sugar candy and confectionery	29	Senate Resolution 324.
Matches	32	Senate Resolution 325.
Cigarette paper	33	Do.
Refined sugar	34	Senate Resolutions 309 and 325.
Cocoa and chocolate	40	Senate Resolution 380.
Soups	37	Application 1.

Another list of more than 30 applications has been carefully investigated by the commission and applications either denied or dismissed without prejudice or withdrawn by those who made the original applications. The following items appear on this list:

Denied and dismissed	Application No.
Hats, bonnets, hoods, manufactured by machinery	49
Wool, waste, shoddy, rags, etc.	4
Hemp yarn	8
Men's and boys' woolen clothing	19
Incandescent lamps	22
Tulip bulbs	24
Cut flowers	29, 57
Rough tanned walrus leather	50
Paintings, pastels, drawings, etc.	77
Collodion emulsion	64
Cylinder watch parts, Swiss	48
Grapefruit	35
Pipes and smokers' articles of clay	52
Sugarcane in its natural state	85
Soybeans	46
Men's silk and opera hats	41, 42, 61
Hot rolled diameter tubing	37
Cork insulation	83
Woven fabrics of flax, etc.	73
Jute paddings and interlinings	74
Calf and kip shoe leather	81
Antifriction steel balls	89
Spring rings	91
Yarn guiding apron (sec. 337)	36
Lumber and timber (sec. 337)	109
Ground pumice stone	102, 10, 15, 16
Ground chicory	111
Raw lime juice	93
Bamboo handle toothbrushes ¹	11
Crude barytes ore ¹	45
Artificial flowers ¹	70
Parachlormetacresol ¹	16
Live cattle ¹	108

¹ Withdrawn.

The following investigations called for by Senate resolutions are under way at the present time and in most cases the investigations are nearing completion. The investigations in progress are as follows:

Commodity	Investigation No.	Resolution or application No.
Umbrellas	9	Senate Resolutions 312, 309.
Infants' wear of wool	31	Senate Resolution 325.
Agricultural hand tools	6	Senate Resolution 295.
Laminated products	30	Senate Resolution 324.
Velvets and velveteens	52	Senate Resolution 440.
Casein	43	Senate Resolution 390; application 40.
Nonedible gelatin and glue	53	Senate Resolution 458.
Dried beans	44	Senate Resolution 411.
Lead	Survey.	Senate Resolution 441.

Some of these, the commission has been informed, will be dismissed by the Senate.

Other investigations in progress, based upon applications, include:

Commodity	Investigation No.	Application No.
Alsimin	55	43.
Candied fruit	61	62.
Flaxseed and linseed oil	62	17.
Sponges	64	92.
Mackerel, fresh, salted, etc.	65	94, 95, 98, 99, 100, 101, 103, 107.
Sugar and molasses	66	
Cherries, sulphured or in brine	59	Request of President.
Tomatoes, prepared or preserved	60	Do.

There remain on the calendar the following applications for investigation under the provisions of section 336 of the tariff act of 1930. These applications are receiving the usual preliminary study at the present time:

Commodities:	Applications pending	Application No.
Lemons		80
Dried or fresh mushrooms, prepared or tinned		60, 96
Barley malt		53
Pulpboard in rolls for use in manufacture of wall board		10
Filaments and yarns of rayon, etc.		69
Linen huck towels		51
Gloves of leather		58
Towels and napkins of flax, hemp, ramie		75
Crêpe and tissue paper hats, etc.		88
Whole eggs, etc., frozen, prepared, preserved, etc.		86, 87
Fluorspar		97
Chocolate, sweetened, in bars, etc.		104
Canvas rubber-soled footwear, waterproof		105

Commodities—Continued:	Application No.
Rubber insulated wires and cables.....	106
Wooden and aluminum folding rules.....	112
Crude sperm oil.....	113
Ribbon fly catchers.....	114
Long-staple cotton.....	117, 119, 120, 121
Upholsterers' nails, thumb tacks, chair glides.....	118
Bicycle chains.....	122
Antimony oxide, antimony regulus or metal.....	123

THE WHITE HOUSE,
Washington, November 17, 1931.

Hon. HENRY P. FLETCHER,
United States Tariff Commission,
Washington, D. C.

MY DEAR CHAIRMAN FLETCHER: I have your letter of November 17 tendering your resignation as chairman of the United States Tariff Commission, to be effective November 30.

In accepting it I wish to express the keen appreciation I have for the great public service you have rendered. Under your chairmanship the work of the commission has made great progress in consummation of the hopes which were placed in its reorganization and increased authority. That a large number of cases have been considered and disposed of and the heavy docket for the year almost completed, all bespeak the devotion and effectiveness of the commission's work.

Yours faithfully,

HERBERT HOOVER.

ADDRESS BY GEN. HARVEY H. HANNAH

Mr. HULL. Mr. President, I ask unanimous consent to have printed in the RECORD the annual address of Gen. Harvey H. Hannah, president of the National Association of Railroad and Utilities Commissioners, delivered at Richmond, Va., on October 20, 1931.

The VICE PRESIDENT. Without objection, it is so ordered.

The address is as follows:

RAILROADS AND UTILITIES

Ladies and gentlemen, when I assumed the presidency of this great organization at Charleston I found it in the very highest state of efficiency, and that the most cordial and friendly relationships possible existed as between the respective State commissions throughout the entire Union. This was due primarily to the magnificent personnel composing the organization and the distinguished executives whom I have had the privilege and honor to succeed. I, therefore, felt that I was taking over a perfect sea-going ship, and the only question that weighed heavily upon my heart was whether I would be able to guide it from the bridge successfully and pilot it through any storms that might arise until we might drop anchor in 1931 in the harbor of the magnificent city of Richmond, the capital of the Old Dominion. Without regard to the success of the voyage we are here to-day peacefully resting at anchor.

Upon assuming the presidency I found that our pending Federal legislation looking to the regulation of motor carriers, known to us as the Parker bill, had been lost in the last closing hours of the Congress, notwithstanding the fact that our organization, through its legislative committee, headed by that tireless worker and distinguished commissioner from Wisconsin, Andrew J. McDonald, and our equally distinguished solicitor, John E. Benton, have spent six long years in trying to bring about proper Federal legislation to provide regulation of interstate motor operations, which would preserve to the States their sovereign rights and at the same time establish proper coordination of carriers through cooperation with the Federal Government under such legislation as would place both interstate and intrastate operations of all kinds upon the same legal and equitable basis.

There has, therefore, been no Congress in which this legislation could be accomplished during my term of office, growing out of the fact that it was caught in a jam in the closing days of the last Congress. However, in my opinion, I have appointed strong men and those especially qualified for service on all of the various committees of the association, and they no doubt have made exhaustive studies, not only of interstate transportation but also of all other possible Federal legislation as to interstate traffic touching such vital questions as pipe lines, electric transmission lines, telephone lines, and kindred subjects. And I am hopeful and confident that out of their study and the discussions at this convention there may be evolved a program for such legislation as may be needed, and that my distinguished successor may see his efforts crowned with success and that the next Congress may write this remedial legislation as a part of the law of the land.

The most important event during my presidency, and one involving all of the States, is the whole-hearted cooperation between the Interstate Commerce Commission and the various State commissions, growing out of the petition filed by the rail carriers of the country for a 15 per cent horizontal increase in all freight rates as an emergency measure. Upon the filing of this petition the Interstate Commerce Commission invited the State commissions to cooperate; and believing in the sound and wise policy of cooperation between the States and the Federal Government, this invitation was accepted. We formed a cooperative committee and under the leadership of the distinguished chairman of that

committee, Hon. Paul Walker, of Oklahoma, the States were divided into groups, each group in turn selecting a representative to sit in with the Interstate Commerce Commission in the hearing of this very important and far-reaching case. The State commissioners so selected were Paul Walker, of Oklahoma (chairman); Andrew J. McDonald, of Wisconsin; William J. Carr, of California; J. M. Thompson, of Idaho; Herbert W. Trafton, of Maine; William D. B. Ainey, of Pennsylvania; Hugh H. White, of Alabama; and Harvey H. Hannah, of Tennessee.

The first hearing was held in Washington in July, where the carriers and their security holders presented their petition and their proof in chief. At the conclusion of their presentation the Interstate Commerce Commission deemed it best to send certain of its representatives to sit with these State commissioners in different sections of the country to hear such proof as might be offered by the shippers in opposition to the proposed increase in rates, thereby affording to the shippers in the various parts of the country easier access to the Interstate Commerce Commission to offer their proof, so as not to be required to travel from all sections of the United States to Washington to be heard. Hearings were had at Portland, Me., Atlanta, Ga., Dallas, Tex., Kansas City, Mo., Salt Lake City, Utah, San Francisco, Calif., and finally a general hearing for the great Northwest and Mississippi Valley was held in Chicago to conclude the proof on both sides of the controversy. At all of these hearings the State commissions were represented by the commissioners selected in their respective groups. The concluding hearing was in Washington, beginning on September 21, for the purpose of presentation of arguments to the entire Interstate Commerce Commission and the cooperating State commissioners. These arguments lasted practically 10 days, after which conferences lasting 2 days were held by the Federal and State commissions.

At the time of the preparation of this address no decision has been handed down by the Interstate Commerce Commission, and therefore the observance of a due regard for the ethics of the occasion would prevent my going further or in any wise discussing at this time the opinions entertained by the different State commissioners as expressed at the hearing, nor can I be permitted with propriety to forecast the probable ultimate decision which may be rendered by the Interstate Commerce Commission.

There are, however, three observations which I want to make, growing out of the handling of this case, which in no wise pertain to its decision:

First. The splendid loyalty and patriotic service rendered by the representatives of the State commissions during the long, hot summer without any extra compensation and with practically all of them having to spend more money out of their private funds than could be repaid by their States. I take this occasion to express to these faithful servants of the people my deepest and sincerest gratitude for their untiring interest and magnificent service.

Second. This summer's work in this case has demonstrated more forcefully than in any other case heretofore the wisdom of closer cooperation between the States and the Federal commission. In every way possible the chairman of the Interstate Commerce Commission and every member extended every courtesy and showed every consideration that could be hoped for or expected by the State commissions, and I wish, on behalf of my colleagues as well as on behalf of this great association, to express our appreciation as representatives of the sovereign States of the American Union.

Third. This hearing before the Interstate Commerce Commission, in Ex parte 103, on application of the rail carriers, has demonstrated to all who have heard or become familiar with the proof that motor transportation, both passenger and freight, has come to stay, and is expanding day by day until it has already become one of the great factors in the evolution of transportation. Motor vehicles; pipe lines conveying gas, gasoline, oil, etc.; and water transportation, taken together in their respective fields, are furnishing real competition to the steam railroads of America. There are many reasons why this is true, but they will be discussed more at length by representatives of the respective committees covering these subjects. The outstanding fact, however, remains that there must be regulation of interstate commerce covering these agencies of transportation. There must be a coordination of transportation agencies, both State and national, so that the commerce of the country may move at the lowest rates that are reasonable, and, at the same time, give a proper return on the property used and useful in the public service. This is the great problem now before the American people, made more acute by the general depression, which for the last two years has lain upon the country and the whole world like a blighting mildew.

As regards the operation of motor vehicles, pipe lines for gas and transmission lines for electricity, these subjects can be differentiated from the interstate commerce involved in rail transportation, because of the fact that a large percentage of the rail transportation is national in character, involving the crossing of many State lines, whereas, as to electricity, it is extremely rare that the generation shall take place in one State and that the electricity shall be transmitted over more than one State boundary, and as to natural gas and motor-bus transportation, the boundaries of more States may be involved, but the matter of regulation in the very nature of things is to a great extent regional in character and does not present a problem of national importance as does rail transportation.

Without going into detail in regard to methods of regulation, permit me to say that a report was made to the American Bar Association by one of its very able committees at its Atlantic City

meeting in September last, which is very illuminating and to which I refer. Giving due credit to the committee which prepared and submitted that report, I shall content myself by quoting a paragraph therefrom which contains a possible solution of the questions we are considering.

"Several solutions have been proposed. (1) Create a series of compacts between various States affected by interstate operations so as to permit such States by means of a joint commission to regulate the interstate commerce involved. (2) Have Congress create regional commissions subordinate to either the Federal Power Commission or to the Interstate Commerce Commission, to be made up either of commissioners from the commissions of the several States in such region or of independent Federal appointees. (3) Continue the present system of leaving unregulated the interstate commerce involved, but have the State commissions deal with problems affecting the neighboring States by consultative and joint action with the commissions of the neighboring States. (4) Have Congress enact legislation specifically divesting electricity and gas transmitted in interstate commerce of its interstate character immediately prior to the sale to the distributing company, thus making its sale subject to regulation in the State of purchase."

The able report of this committee takes up in detail a discussion of the methods, outlined above, for regulation of operations in interstate commerce and cites decisions of the Supreme Court of the United States in support of each one of these methods of regulation. I commend this report to the careful consideration of any member of this association who may care to take the time and trouble to give any thought and study to these questions.

The champions of centralized government and of federalization of the agencies of regulation, who advocate stripping the States, so far as possible, of their sovereign rights which would make them only outlying provinces as it were, will find little comfort, if they will take a survey of the Nation as it stands to-day in the shadow of the greatest financial crisis in its history, when they find that the utilities corporations, which are solely under State regulation, are weathering the storm better than are all other agencies of commerce and trade and that their securities have depreciated less than various other securities on the market to-day. This, in my opinion, grows out of the fact that the State regulatory bodies, in a vast majority of the States, must under the law pass upon the issuance of bonds and stocks of these various utility corporations and these issues are always kept within the limit of sound financing and below the rate base, which is the actual valuation of the physical properties of the corporations which are used and useful in the public service. In other words, the valuation adopted for security issues reflects what the property is actually and honestly worth with all of the water squeezed out. It is a reflection of the honest dollars prudently invested to build the property plus all other elements that go in, under the law, to make up the actual value upon which the utility may have a return and at the same time give the people the best service at the lowest rates possible.

These conditions demonstrate the wisdom of vesting in the State commissions, which are in touch with the people, in touch with the local utilities, and in touch with local financial conditions, the control over the issuance of utility securities; and they further demonstrate the wisdom of local or State regulation, which affords to the people who have just cause for complaint a local agency, easy of access, to whom they can submit that complaint, and where the complaint can have a speedy hearing and the evil, if found to exist, can be remedied speedily without the necessity of the complaining party having to go all the way to Washington to the Interstate Commerce Commission, which is already greatly overworked.

The commerce clause of the Constitution, consisting of only 16 words, must have been written on rubber, for it has been stretched by judicial and legislative construction to cover everything from a spring branch to a divorce court at Reno. To this may be added the universal challenge, hurled at State commissions by certain class of litigants, "Your act will be confiscatory under the fourteenth amendment." These two constitutional bugbears have challenged the rights of sovereign States in season and out of season; but I am glad to say that the pendulum is swinging back, that the highest courts of the land recognize the rights of the States, and that the days of centralized buccaneering, like all other evils that escaped from Pandora's box, are being wiped out by a stronger and a broader view of national problems which must obtain; and the constitutional balance is poised in the hollow of the hand of the greatest judicial tribunal in the world, the Supreme Court of the United States, which is at last the bulwark of defense of a free people.

While the Constitution of the United States was intended by its wise framers to be adjustable to new and unseen conditions which might arise in the future years after its adoption, still, with all of their wisdom, they were not capable of foreseeing many things which have taken place in the evolution of our civilization since they drafted that historical document. Since the memorable sessions which led to the adoption of our Constitution our civilization has seen the advent of steam railroads, electric railways, pipe lines for conveying natural gas over the country, electric transmission lines, telephone and telegraph lines threading the country like a net, motor vehicles carrying freight and passengers across State lines, and finally have come down to the common use of the aeroplane and radio. When the provision was inserted in our Constitution to the effect that Congress should have the power "to regulate commerce with foreign nations and

among the several States and among the Indian tribes," even the most vivid imagination could not have anticipated the remarkable growth and development in our civilization which has taken place; but notwithstanding this fact, the Constitution must still stand as the fundamental law of the land.

When courts are dealing with statutory law involving solely disputes between individual litigants certain time-honored rules must be applied by the courts without regard to the personality of the judge. However, constitutional law is a matter of government and politics, which involves the relation between the individual and the State and between the State and the Nation. The Constitution is, therefore, in truth what the judges say it is, and different judges have said and are saying different things at different times. As said by Mr. Pollard in a recent article in one of the leading magazines of the country:

"Their interpretation depends upon the forces at work molding public opinion outside the court room, upon their own private economic and political predilections, their conscious or subconscious slants for or against property, and many other subtle and intangible factors. Despite the old maxim to the contrary, it is becoming increasingly apparent that ours is a government more of men than of laws."

Only a few years ago it was very frequent that Justices Holmes and Brandeis dissented in cases involving constitutional interpretation. Later, upon Justice Stone coming to the bench, his name was frequently added to the dissent. The personnel of the court was further changed by the appointment of Chief Justice Hughes and Justice Roberts to the bench. Since their coming to this court the decisions of the court have become more liberal. One of the first cases indicating this trend was a case from New Jersey involving the validity of a statute limiting the rate of commission to be charged by agents for insurance companies. The new court upheld the act as valid on the theory that the insurance agent was an integral part of the business "clothed with a public interest." The court has likewise upheld an Indiana statute taxing chain stores. It has also upheld an Ohio statute imposing a tax on natural gas brought into Ohio from another State as a valid exercise of the taxing power of the State of Ohio. In fact, an examination of the recent decisions of the Supreme Court of the United States will show a growing and fixed tendency on the part of that court to recognize the rights of the States and their power and authority to regulate and control to a certain extent agencies engaged in interstate commerce. In this connection, while the members of our judiciary may not be influenced to any great extent by public opinion and should not be influenced by unthinking mob clamor, I think it is well for our State commissions to keep up their fight for State rights, to the end that good sound public opinion may more completely and thoroughly recognize those rights and the courts of the country also recognize them in their interpretation of our fundamental law.

In conclusion let me say that I would not attempt to offer a policy for the future guidance of our great organization, for I shall be followed in this exalted office by a distinguished commissioner, far more able than I, who will take the wheel of the ship. I can only conclude by saying that my services, whatever they may be worth, will be freely given, and I shall follow the leadership of him who may be called to this exalted position.

I could not conclude this address without expressing my very deep appreciation and esteem for the man who is more responsible, probably, than any other for making these conventions and the general work of the association a success, our beloved secretary, Hon. James B. Walker.

It is needless for me to say that both the association and I feel that to leave our beloved general solicitor, Hon. John E. Benton, and our assistant general solicitor, Hon. Clyde Bailey, unmentioned would be like the play of Hamlet with Hamlet left out. To both of them I express my deepest and sincerest affection.

And you whose associations and friendships, now covering almost a quarter of a century, have made this great organization possible, will be to me in the afterglow the happiest memories of my life. Being an optimist by nature and standing here upon the sacred soil of old Virginia, the very cradle of our liberty and our civilization, I believe that our country will emerge from the fogs of depression stronger and better, and, in the providence of God, will continue to be the leader of the world.

THE WORLD COURT

Mr. COPELAND. Mr. President, I have been requested to have an article from the Philadelphia Public Ledger presented for the benefit of the Senate. I ask that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Philadelphia Public Ledger of December 1, 1931]

PHYSICIAN BACKS TRIBUNAL FOR ITS AID IN HALTING WAR—FINDS GROUP'S WORK FOR PEACEFUL SETTLEMENTS COMPATIBLE WITH SCIENCE'S AIM TO PRESERVE HUMAN LIVES

By Truman G. Schnabel, M. D., graduate school of medicine, University of Pennsylvania

About the year 1913, when certain statesmen and economists were advancing the thesis that a large-scale war was becoming virtually an impossibility, chemists were silently noting the final success of Haber's nitrogen-fixation process, realizing, as most of

the world did not, the true significance of the fact that it would no longer be necessary to depend upon saltpeter.

Certainly science made the last war what it was. But scientists as a whole, trying as they are impersonally to catch a fragment of the truth of the processes of nature, animate and inanimate, are not, I think, nevertheless, cheered by the application of their discoveries to the processes of destruction.

Those scientists, for instance, that had been working on the fixation of nitrogen with a view to its use for fertilizing and thus for increasing and improving the food supply of the world, can hardly have been greatly pleased when they see their idea converted to the manufacture of munitions for the destruction of human life.

AGREES WITH EINSTEIN

Without going all the way with Einstein when he calls upon the scientists of the world to join him in utter resistance to war, we must admit that he is right in implying that the basic scientific ideal of conserving life is violated by what he calls "the technical development which produces the means for the destruction of human life and of the dearly created products of human labor."

Those who look upon war as a salutary agent for reducing excess population and "purifying the race" have to slide over the fact that it is the fittest that war removes.

Science—medical science at least—is interested in preserving life and making it more livable. That, I think, is the ideal that has sustained those that have risked, and given, life itself in the study of X rays and radium, arsenic and cyanogen, yellow fever and malaria. They are sustained, I am sure, by the idea of developing a race which, although certainly not utterly perfectible, is capable of progressive gain in enjoyment of health, of labor, of living.

A PHYSICIAN'S VIEW

Medical men, pledged as they are to the conservation of human life, to the endless battle against disease, and to the struggle to cure it after it occurs and to prevent its occurrence, can hardly fit into their scheme and purpose the idea of war that kills and starves and mutilates.

Most of the medical men that went abroad during the war and also those who stayed at home and dealt, as we are still dealing, with the tragic results of the war among our enlisted men have developed more or less conscious conclusions about the effect of war on the development of the race. It is true that a doctor may have rejoiced professionally in the stimulus given to medical science by the war emergency in the development of more effective agents for preventing infection, in the advances made in plastic surgery, etc.

But this professional satisfaction will certainly not blot out his deeper realization of the horror and absurdity of deliberately continuing to use a process that will inevitably produce as a matter of course all that infection, all those faces half shot away, all those limbless torsos.

NEED TO LIVE STRESSED

Let me make one point clear: It is the waste of war that the average man with scientific training would object to, the lack of logic in this method of settling international differences.

Perhaps we could define the scientist's attitude toward life as being an interest in ascertaining the law of life in the hope that it may be applied to life by those responsible for the conduct of affairs. The average scientist is not a pacifist; he spends his life observing the endless conflict of one organism with another. And it is not that he fears danger; a biologist, for example, lives and moves and has his being in a world of germs so deadly that bullets seem like snowflakes by comparison.

But, he feels, since there are so many other battles in other fields to be fought and won, so many things to be found out before we even begin to know how to live, why not at least transfer from the military to the judicial field such disputes as can be so settled?

FINDS TREATISE NEEDED

A good many treatises have been written outlining the results of the war on economic conditions and on financial stability throughout the world. Most of us have a more or less direct personal realization of the latter. It would probably be difficult, indeed, to survey in the same way the effect of the war on the physical fitness of the race, but if such a treatise could be scientifically and sanely produced, the result would be illuminating.

The whole country was shocked in 1917-18 by what the draft revealed—the tremendous number of our younger men supposedly "normal," but really gravely unfit, not merely for the trenches but also for the day's work in the mills, on the docks, in the office.

Shocked realization that we were not bringing along a more physically competent race might explain such reactions to the situation as that of the American Medical Association, when in 1929 it indorsed by resolution the national defense act, with its training camps, etc., aiming at greater physical fitness for the men of the Nation, or for a part of them.

CALLS FOR RATIFICATION

But this care for the fitness of the race in terms of preparedness is not sufficiently comprehensive and not scientifically satisfying. We want human life conserved and made more competent not merely so that we shall hold our own more satisfactorily if we are forced into war but also—and chiefly—for the pursuits of peace.

Those who see the conservation of life in this light will certainly seek every practicable means for preventing war. Among them the World Court seems to me a notable experiment. Mr. Roland

Morris pointed out in these columns a few days ago how difficult and dangerous were some of the 36 questions dealt with by the court during the 10 years of its existence.

The fact that the court does not pretend to be able in all circumstances to maintain the peace of the world, that its field is sharply limited, that it undertakes to settle only questions of a legal nature when both parties to the dispute consent to submitting them makes me regard it as an experiment conceived upon sound lines.

Its actual record to date makes me regard it further as an experiment already entitled to the respect of the world and as justifying a great hope for its future. I hope the Senate coming together next week will promptly ratify the three treaties that will complete the adherence of the United States.

"THE RESTORATION OF SILVER"—ADDRESS BY SENATOR ODDIE

Mr. WATSON. Mr. President, I ask unanimous consent to insert in the RECORD an article by the junior Senator from Nevada [Mr. ODDIE] entitled "The Restoration of Silver," which appeared in the December issue of the Mining Congress Journal.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

THE RESTORATION OF SILVER

By TASKER L. ODDIE, United States Senator from Nevada

Because of the importance of silver in the world's monetary system for over 2,000 years and the difficulty which is now being experienced in attempting to impose on gold practically the entire monetary and credit burdens of the world, silver is now being more widely discussed than ever before. When Great Britain, the ruling creditor nation for 100 years following the Napoleonic wars, after a most courageous fight found it impossible to maintain the gold standard, there is no question but that the monetary and credit burdens on gold have become greatly increased in recent years.

GOLD OVERBURDENED

As silver coinage was debased by most of the principal gold-standard countries following the World War and as India was compelled to sell silver from her extensive reserves in order to acquire the gold to maintain the high 18d. parity of the rupee, the price of silver declined to the lowest levels in history and its monetary status has become seriously impaired. With the diminishing monetary demand for silver came the ever-increasing demand for gold to carry the entire monetary and credit burdens of the world, and this constitutes an important factor in the present economic depression.

The currency policy of India since 1926, when the gold-bullion standard was adopted, has operated greatly to reduce the price of silver, thereby lessening its monetary value and use. It should be emphasized that gold going into India rapidly becomes hoarded and withdrawn from monetary use, which complicates the distribution of gold. Furthermore, the withdrawal of gold from the limited available monetary reserves of the world has automatically increased the burden for them to carry. Because of this fact extensive withdrawals of gold by India since 1926 have seriously lessened the available monetary gold reserves of the world and thereby limited the amount of credit which could have been issued for the purpose of maintaining the world's normal industry and trade.

Notwithstanding the imposition of the gold-bullion standard on India, the appetite of the people for silver has not abated, as is evidenced by the large amount of silver imported since 1926 into that country.

Political chaos and the subnormal state of China's industry and trade and internal warfare have seriously weakened her position in the silver market. This summer I visited China in order to study her economic and currency problems first-hand. I found in that country that the future of silver was one of the most discussed subjects. She is still on a silver basis, and her prosperity depends more on the rehabilitation and stabilization of silver at a much higher price than that now existing than upon anything else. A restoration of political order and the cessation of internal strife would greatly assist in improving her industrial conditions, and the return of silver to its more normal monetary status preceding the World War would be reflected in a large increase in her foreign trade. A peaceful China with a well-ordered government would in itself be of most effective assistance in improving the position of silver, upon which the return to normal world economic conditions so greatly depends.

MEXICO RETURNS TO SILVER

The recent return of Mexico to the silver basis should strengthen the position of silver, especially if Mexico would remint her silver coinage on the high fineness of the old "peso fuerte." Unless this is done the inflation in wages and in the prices of supplies in Mexico which will probably occur on the present debased minting fineness of current coinage will minimize, if not altogether destroy, the benefits which otherwise might be expected from the adoption of the silver standard.

RESTORATION OF PRE-WAR STATUS

The desirability of reestablishing the pre-war status of silver and the ways and means for its accomplishment in the most expeditious manner were pointed out by Mr. Francis H. Brownell,

chairman of the board of the American Smelting and Refining Co., in an address delivered before the American Bar Association on September 16, 1931, from which I quote the following:

"There seems to be no way yet discovered of curing the growing maldistribution of gold among the nations, possibly because there is not even to-day a sufficient amount of gold to do the money work required of it. With nearly all the nations of South and Central America in a state of political instability because of monetary troubles and with the increasing difficulty in maintaining an adequate gold reserve in Germany and in central Europe, Austria, Hungary, Poland, and many other nations—even Australia and, most striking of all, Great Britain herself—it would seem wise and for the best interest of the entire world not only to stop the further destruction of the value of the only other metal which mankind has yet used as money—silver—but to go a step farther and restore the value of silver to the extent, at least, that it enjoyed in the days before the World War, thus affording a currency in which people can have confidence because it would have intrinsic value in itself and relieving the growing burden on gold.

"It requires no great study of ways and means to preserve and restore the value of silver to its pre-war status. All that is necessary is that the nations of the world retrace the steps taken since the war; that they stop any further demonetization of silver now in use; that they individually or collectively, or both, make it known that the further sale of silver by governments will cease; that the governments, while not establishing any fixed ratio between gold and silver, make clear their intention to resume the use of silver to the same extent as before the World War. This automatically would restore silver to pre-war values. It automatically would preserve it for present and future monetary needs of the world. It would lessen the present burden on gold. The step is easily taken, if the will to take it exists. It needs only cooperative action by the more important industrial nations of the world. Formal action in the shape of treaties is not required. If the British Empire, France, Germany, Italy, the United States, and Japan should substantially simultaneously recommend the adoption of such a policy and should individually announce their intention so to act, the smaller nations of the world, seeing that silver is not doomed to abandonment as money but is to be continued in use, would rapidly adopt a similar policy. An international conference, formal or informal in its nature, recommending such action, would be of the greatest help. The rapid restoration of the value of silver that would necessarily follow would effect immediate improvement of the present financial condition of so many nations in Europe, Asia, South and Central America, including Mexico, that the whole world would rapidly respond to the beneficial effect.

"No one could reasonably maintain the actions above described would alone terminate the present world depression, the greatest and most far-reaching in history. There are many other important problems, such as the steady and rapid increase of high tariffs among nations, with consequent reduction of international trade, not to mention others under general discussion. None the less, sound and stable monetary systems are of paramount and fundamental importance in all nations.

"Not until the staggering, weakening, almost failing monetary systems of a great majority of the nations of the world to-day are again restored to a proper basis may we expect a full return of the prosperity formerly enjoyed. Is there any quicker or more efficacious way of establishing confidence in the various moneys of the nations than by restoring the monetary use of silver, as before the war, thus affording to the common people of all those countries a medium of saving in which they may have confidence and a medium of exchange which will have sufficient intrinsic value in itself to supplement and support an overworked and overburdened gold reserve? Such action does not weaken nor tend to destroy any gold-standard system; rather it gives aid and support where it is now so sorely needed."

INTERNATIONAL CONFERENCE NECESSARY

The Mining Journal of London on September 26, 1931, published an editorial entitled "The Abandonment of the Gold Standard," from which the following references in connection with silver are quoted:

"Another and very interesting reaction of our abandonment of the gold standard suggests itself in connection with silver. At an important meeting convened by the China Association this week in the city, the resolution was taken to establish a silver association to impress upon governments the desirability of restoring the position of silver as a monetary and exchange factor. We have on many occasions urged the importance of a sympathetic study of the question, believing that as regards eastern trade, at any rate, appreciable advance might be made to assist the buying power of our lost markets in these areas, besides easing the strain on the world's greatly diminished supplies of free gold. As we are no longer on a gold standard, financial orthodoxy can no longer be advanced as a reason for refusing to discuss the question, and it is at any rate arguable that some reliance on silver might offer greater security against currency fluctuations than one based entirely upon the paper pound. Considering the forum in which the question was discussed on Wednesday last, the survey of the subject was largely confined to India and China, which are naturally silver-using countries.

"The suggestions put forward at the meeting followed lines very familiar to our readers from contributions which have appeared in the columns of the Mining Journal. We do not suppose that there is any section of financial or industrial thought which would not welcome an improvement in the price of silver, provided this

were not brought about by artificial means which would involve disproportionate sacrifices in other directions. The anomalies of the Indian government policy have often been referred to in these pages, and it is clear that there is a growing volume of opinion in India which is highly dissatisfied with the recent course of events. This week the viceroy thought it necessary to veto the discussion of the recent financial statement of government, including the announcement that the rupee would in future be linked with sterling. While any premature discussion of such an intricate question is to be deprecated, it is obvious, particularly with the round-table conference now assembled in London, that it will be impossible not to defer ultimately to Indian opinion in a matter of this kind should there be widespread demand for a consideration of the position in relation to silver. As Mr. Brownell has pointed out, it is the policy of the Indian government, threatening at any time to throw, without notice, large quantities of silver on a depreciated market, which has done much to destroy confidence in the value of the white metal, and there would seem to be quite an important field in which constructive cooperation could be effected to improve silver prices without committing us to the more ambitious projects commonly associated with what is known as bimetallism."

This editorial presents a very sympathetic understanding of the subject, and, having its origin in Great Britain, is a most hopeful sign that something might now be done in an international conference to improve the silver situation, which is fundamental to the restoration of prosperity.

OUTLOOK FAVORABLE

Improvement in the general economic condition of the world has already resulted from President Hoover's constructive action in declaring a foreign debt moratorium for one year. While this action was principally beneficial in alleviating international financial strain, the second step taken by him in creating a supercredit bank for the purpose of lessening the credit strain within the United States has already been and will continue to be a most helpful factor in overcoming the difficulties of the present depression.

The more recent conference between President Hoover and Mr. Laval, the president of the Council of Ministers of France, should go still farther in rectifying the present disturbed monetary and economic conditions. A joint statement signed by both, dated October 25, 1931, contains the following reference to the maintenance of the gold standard and the stabilization of international exchanges:

"Our especial emphasis has been upon the more important means through which the efforts of our Governments could be exerted toward restoration of economic stability and confidence.

"Particularly we are convinced of the importance of monetary stability as an essential factor in the restoration of normal economic life in the world in which the maintenance of the gold standard in France and in the United States will serve as a major influence.

"It is our intent to continue to study methods for the maintenance of stability in international exchanges."

THE FOURTH CONSTRUCTIVE STEP

The fourth constructive step in maintaining the gold standard and in aiding those countries which are not on a gold basis to rapidly return to it would be the convening of an international conference to discuss ways and means for the restoration of silver to its pre-war status, when it carried a very substantial burden of the world's finance. Many proposals have been made for bettering the situation and these should be referred to an international conference for study and investigation. The President has full authority under a resolution passed by the Senate in the third session of the Seventy-first Congress to call such a conference. Action along this line should now meet with the hearty approval of Great Britain and a number of other nations which have recently gone off the gold standard. No more constructive step could be taken at this time to restore the gold standard as the almost universal monetary system which it was before the World War began and to expedite the return to more normal economic conditions throughout the world.

STANDING COMMITTEES OF THE SENATE

Mr. McNARY. Mr. President, from the committee on committees I submit a Senate resolution and ask for its present consideration.

The VICE PRESIDENT. Let it be reported for the information of the Senate.

The Chief Clerk read the resolution (S. Res. 70), as follows:

Resolved, That paragraph 1 of Rule XXV of the Standing Rules of the Senate be, and it is hereby, amended so as to read as follows:

"1. The following standing committees shall be appointed at the commencement of each Congress, with leave to report by bill or otherwise:

"Committee on Agriculture and Forestry, to consist of 18 Senators.

"Committee on Appropriations, to consist of 23 Senators.

"Committee to Audit and Control the Contingent Expenses of the Senate, to consist of 5 Senators, to which shall be referred all resolutions directing the payment of money out of the contingent fund of the Senate or creating a charge upon the same.

"Committee on Banking and Currency, to consist of 19 Senators.
 "Committee on Civil Service, to consist of 11 Senators.
 "Committee on Claims, to consist of 13 Senators.
 "Committee on Commerce, to consist of 21 Senators.
 "Committee on the District of Columbia, to consist of 15 Senators.
 "Committee on Education and Labor, to consist of 13 Senators.
 "Committee on Enrolled Bills, to consist of 3 Senators, who shall examine all bills, amendments, and joint resolutions before they go out of the possession of the Senate, and which shall have power to act jointly with the same committee of the House of Representatives, and which, or some one of which, shall examine all bills or joint resolutions which shall have passed both Houses, to see that the same are correctly enrolled, and, when signed by the Speaker of the House and President of the Senate, shall forthwith present the same, when they shall have originated in the Senate, to the President of the United States in person, and report the fact and date of such presentation to the Senate.
 "Committee on Expenditures in the Executive Departments, to consist of 7 Senators.
 "Committee on Finance, to consist of 20 Senators.
 "Committee on Foreign Relations, to consist of 22 Senators.
 "Committee on Immigration, to consist of 13 Senators.
 "Committee on Indian Affairs, to consist of 13 Senators.
 "Committee on Intercoastal Canals, to consist of 9 Senators.
 "Committee on Interstate Commerce, to consist of 19 Senators.
 "Committee on Irrigation and Reclamation, to consist of 17 Senators.
 "Committee on the Judiciary, to consist of 17 Senators.
 "Committee on the Library, to consist of 9 Senators, which shall have power to act jointly with the same committee of the House of Representatives.
 "Committee on Manufactures, to consist of 13 Senators.
 "Committee on Military Affairs, to consist of 17 Senators.
 "Committee on Mines and Mining, to consist of 13 Senators.
 "Committee on Naval Affairs, to consist of 17 Senators.
 "Committee on Patents, to consist of 7 Senators.
 "Committee on Pensions, to consist of 11 Senators.
 "Committee on Post Offices and Post Roads, to consist of 19 Senators.
 "Committee on Printing, to consist of 7 Senators, which shall have power to act jointly with the same committee of the House of Representatives.
 "Committee on Privileges and Elections, to consist of 17 Senators.
 "Committee on Public Buildings and Grounds, to consist of 14 Senators, which shall have power to act jointly with the same committee of the House of Representatives.
 "Committee on Public Lands and Surveys, to consist of 15 Senators.
 "Committee on Rules, to consist of 13 Senators.
 "Committee on Territories and Insular Affairs, to consist of 15 Senators."

Mr. JONES. Mr. President—

The VICE PRESIDENT. Does the Senator from Oregon yield to the Senator from Washington?

Mr. McNARY. I yield.

Mr. JONES. I understand unanimous consent is asked for the immediate consideration of the resolution. I am not going to object, but I do wish to say that I think it is a very great mistake to increase the membership of our committees as it is now proposed to increase them. When we adopted our rules several years ago we put the limit on the membership of the committees very much lower even than it is now. We thought the committees were too large. We have increased them slightly since. The pending resolution proposes a much greater increase.

As I have said, I am not going to object but am simply going to express my own judgment that it is a very great mistake on our part to enlarge the committees as now proposed.

The VICE PRESIDENT. Is there objection to consideration of the resolution proposed by the Senator from Oregon?

There being no objection, the resolution was considered and agreed to.

Mr. McNARY. From the committee on committees I report an order providing for the Republican membership of the committees, including the chairmen, and ask unanimous consent that it may be acted upon by viva voce vote.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. ROBINSON of Arkansas. Mr. President, in the same connection I ask leave to report for the minority of the membership of the minority on the various committees referred to in the rule. I ask that list reported by me may be considered in connection with the list reported by the Senator from Oregon for the majority.

The VICE PRESIDENT. Without objection, it is so ordered.

The names of the chairman and members of each committee as proposed in the order submitted by Mr. McNARY, with the additions proposed by Mr. ROBINSON of Arkansas, were severally read and severally agreed to, as follows:

Ordered, That the following shall constitute the standing committees of the Senate of the Seventy-second Congress:

On Agriculture and Forestry: Charles L. McNary, of Oregon (chairman); George W. Norris, of Nebraska; Arthur Capper, of Kansas; Peter Norbeck, of South Dakota; Lynn J. Frazier, of North Dakota; John Thomas, of Idaho; H. D. Hatfield, of West Virginia; John G. Townsend, jr., of Delaware; Frederic C. Walcott, of Connecticut; Ellison D. Smith, of South Carolina; John B. Kendrick, of Wyoming; Burton K. Wheeler, of Montana; Elmer Thomas, of Oklahoma; George McGill, of Kansas; John H. Bankhead, of Alabama; W. J. Bulow, of South Dakota; Hattie W. Caraway, of Arkansas; and Henrik Shipstead, of Minnesota.

On Appropriations: Wesley L. Jones, of Washington (chairman); Reed Smoot, of Utah; Frederick Hale, of Maine; Henry W. Keyes, of New Hampshire; Hiram Bingham, of Connecticut; Tasker L. Oddie, of Nevada; Gerald P. Nye, of North Dakota; Frederic Steiwer, of Oregon; Peter Norbeck, of South Dakota; Porter H. Dale, of Vermont; James J. Davis, of Pennsylvania; L. J. Dickinson, of Iowa; William J. Harris, of Georgia; Carter Glass, of Virginia; Kenneth McKellar, of Tennessee; Edwin S. Broussard, of Louisiana; John B. Kendrick, of Wyoming; Royal S. Copeland, of New York; Carl Hayden, of Arizona; Sam G. Bratton, of New Mexico; Cameron Morrison, of North Carolina; Elmer Thomas, of Oklahoma; and James F. Byrnes, of South Carolina.

To Audit and Control the Contingent Expenses of the Senate: John G. Townsend, jr., of Delaware (chairman); Simeon D. Fess, of Ohio; Phillips Lee Goldsborough, of Maryland; John B. Kendrick, of Wyoming; and James F. Byrnes, of South Carolina.

On Banking and Currency: Peter Norbeck, of South Dakota (chairman); Smith W. Brookhart, of Iowa; Phillips Lee Goldsborough, of Maryland; John G. Townsend, jr., of Delaware; Frederic C. Walcott, of Connecticut; John J. Blaine, of Wisconsin; Robert D. Carey, of Wyoming; James E. Watson, of Indiana; James Couzens, of Michigan; Frederic Steiwer, of Oregon; Duncan U. Fletcher, of Florida; Carter Glass, of Virginia; Robert F. Wagner, of New York; Alben W. Barkley, of Kentucky; Robert J. Bulkley, of Ohio; Cameron Morrison, of North Carolina; Thomas P. Gore, of Oklahoma; Edward P. Costigan, of Colorado; and Cordell Hull, of Tennessee.

On Civil Service: Porter H. Dale, of Vermont (chairman); James Couzens, of Michigan; Smith W. Brookhart, of Iowa; Hamilton F. Kean, of New Jersey; Frederic C. Walcott, of Connecticut; Wallace H. White, jr., of Maine; Kenneth McKellar, of Tennessee; Walter F. George, of Georgia; W. J. Bulow, of South Dakota; and M. M. Logan, of Kentucky.

On Claims: Robert B. Howell, of Nebraska (chairman); Arthur Capper, of Kansas; Frederic Steiwer, of Oregon; Smith W. Brookhart, of Iowa; Otis Glenn, of Illinois; John G. Townsend, jr., of Delaware; Wallace H. White, jr., of Maine; Park Trammell, of Florida; Hubert D. Stephens, of Mississippi; Hugo L. Black, of Alabama; Josiah William Bailey, of North Carolina; Marcus A. Coolidge, of Massachusetts; and M. M. Logan, of Kentucky.

On Commerce: Hiram W. Johnson, of California (chairman); Wesley L. Jones, of Washington; Charles L. McNary, of Oregon; Porter H. Dale, of Vermont; Gerald P. Nye, of North Dakota; Arthur H. Vandenberg, of Michigan; Roscoe C. Patterson, of Missouri; Robert B. Howell, of Nebraska; George H. Moses, of New Hampshire; Hiram Bingham, of Connecticut; Wallace H. White, jr., of Maine; Duncan U. Fletcher, of Florida; Morris Sheppard, of Texas; Hubert D. Stephens, of Mississippi; William J. Harris, of Georgia; Royal S. Copeland, of New York; Harry B. Hawes, of Missouri; Edwin S. Broussard, of Louisiana; Josiah William Bailey, of North Carolina; Robert J. Bulkley, of Ohio; and Marcus A. Coolidge, of Massachusetts.

On the District of Columbia: Arthur Capper, of Kansas (chairman); Wesley L. Jones, of Washington; John J. Blaine, of Wisconsin; Hamilton F. Kean, of New Jersey; Robert D. Carey, of Wyoming; Otis Glenn, of Illinois; Warren R. Austin, of Vermont; William H. King, of Utah; Carter Glass, of Virginia; Royal S. Copeland, of New York; Millard E. Tydings, of Maryland; Thomas P. Gore, of Oklahoma; J. Hamilton Lewis, of Illinois; John H. Bankhead, of Alabama; and Henrik Shipstead, of Minnesota.

On Education and Labor: Jesse H. Metcalf, of Rhode Island (chairman); William E. Borah, of Idaho; James Couzens, of Michigan; Frederic C. Walcott, of Connecticut; Robert M. La Follette, jr., of Wisconsin; James J. Davis, of Pennsylvania; Wallace H. White, jr., of Maine; Royal S. Copeland, of New York; David I. Walsh, of Massachusetts; Park Trammell, of Florida; Hugo L. Black, of Alabama; James F. Byrnes, of South Carolina; and J. Hamilton Lewis, of Illinois.

On Enrolled Bills: Charles W. Waterman, of Colorado (chairman); Arthur H. Vandenberg, of Michigan; and Hattie W. Caraway, of Arkansas.

On Expenditures in the Executive Departments: Frederic Steiwer, of Oregon (chairman); Daniel O. Hastings, of Delaware; John J. Blaine, of Wisconsin; Hamilton F. Kean, of New Jersey; Claude A. Swanson, of Virginia; Harry B. Hawes, of Missouri; and Hubert D. Stephens, of Mississippi.

On Finance: Reed Smoot, of Utah (chairman); James E. Watson, of Indiana; David A. Reed, of Pennsylvania; Samuel M. Shortridge, of California; James Couzens, of Michigan; Henry W. Keyes, of New Hampshire; Hiram Bingham, of Connecticut; Robert M. La Follette, jr., of Wisconsin; John Thomas, of Idaho; Wesley L. Jones, of Washington; Jesse H. Metcalf, of Rhode Island; Pat Harrison, of Mississippi; William H. King, of Utah; Walter F. George, of Georgia; David I. Walsh, of Massachusetts; Alben W. Barkley, of Kentucky; Tom Connally, of Texas; Thomas P. Gore, of Oklahoma; Edward P. Costigan, of Colorado; and Cordell Hull, of Tennessee.

On Foreign Relations: William E. Borah, of Idaho (chairman); Hiram W. Johnson, of California; George H. Moses, of New Hampshire; Arthur Capper, of Kansas; David A. Reed, of Pennsylvania; Simeon D. Fess, of Ohio; Robert M. La Follette, jr., of Wisconsin; Arthur H. Vandenberg, of Michigan; Arthur R. Robinson, of Indiana; Otis Glenn, of Illinois; Bronson Cutting, of New Mexico; Claude A. Swanson, of Virginia; Key Pittman, of Nevada; Joseph T. Robinson, of Arkansas; Thomas J. Walsh, of Montana; Pat Harrison, of Mississippi; Walter F. George, of Georgia; Hugo L. Black, of Alabama; Robert F. Wagner, of New York; Tom Connally, of Texas; J. Hamilton Lewis, of Illinois; and Henrik Shipstead, of Minnesota.

On Immigration: H. D. Hatfield, of West Virginia (chairman); Hiram W. Johnson, of California; Henry W. Keyes, of New Hampshire; David A. Reed, of Pennsylvania; Gerald P. Nye, of North Dakota; James E. Watson, of Indiana; Roscoe C. Patterson, of Missouri; William H. King, of Utah; William J. Harris, of Georgia; Royal S. Copeland, of New York; Hubert D. Stephens, of Mississippi; George McGill, of Kansas; and Marcus A. Coolidge, of Massachusetts.

On Indian Affairs: Lynn J. Frazier, of North Dakota (chairman); Thomas D. Schall, of Minnesota; Robert M. La Follette, jr., of Wisconsin; Frederick Steiwer, of Oregon; Frederic C. Walcott, of Connecticut; Peter Norbeck, of South Dakota; John Thomas, of Idaho; Henry F. Ashurst, of Arizona; John B. Kendrick, of Wyoming; Burton K. Wheeler, of Montana; Sam G. Bratton, of New Mexico; Elmer Thomas, of Oklahoma; and W. J. Bulow, of South Dakota.

On Interoceanic Canals: Thomas D. Schall, of Minnesota (chairman); Smith W. Brookhart, of Iowa; John J. Blaine, of Wisconsin; Felix Hebert, of Rhode Island; W. Warren Barbour, of New Jersey; Thomas J. Walsh, of Montana; and Park Trammell, of Florida.

On Interstate Commerce: James Couzens, of Michigan (chairman); James E. Watson, of Indiana; Simeon D. Fess, of Ohio; Robert B. Howell, of Nebraska; Jesse H. Metcalf, of Rhode Island; Otis Glenn, of Illinois; Smith W. Brookhart, of Iowa; Hamilton F. Kean, of New Jersey; Daniel O. Hastings, of Delaware; H. D. Hatfield, of West Virginia; Ellison D. Smith, of South Carolina; Key Pittman, of Nevada; C. C. Dill, of Washington; Burton K. Wheeler, of Montana; Harry B. Hawes, of Missouri; Robert F. Wagner, of New York; Millard E. Tydings, of Maryland; Alben W. Barkley, of Kentucky; and M. M. Neely, of West Virginia.

On Irrigation and Reclamation: John Thomas, of Idaho (chairman); Wesley L. Jones, of Washington; Charles L. McNary, of Oregon; Samuel M. Shortridge, of California; Hiram W. Johnson, of California; Robert B. Howell, of Nebraska; John G. Townsend, jr., of Delaware; Robert D. Carey, of Wyoming; Tasker L. Oddie, of Nevada; Morris Sheppard, of Texas; Thomas J. Walsh, of Montana; John B. Kendrick, of Wyoming; Key Pittman, of Nevada; C. C. Dill, of Washington; Henry F. Ashurst, of Arizona; and Sam G. Bratton, of New Mexico.

On the Judiciary: George W. Norris, of Nebraska (chairman); William E. Borah, of Idaho; Arthur R. Robinson, of Indiana; John J. Blaine, of Wisconsin; Charles W. Waterman, of Colorado; Daniel O. Hastings, of Delaware; Felix Hebert, of Rhode Island; Thomas D. Schall, of Minnesota; Warren R. Austin, of Vermont; Henry F. Ashurst, of Arizona; Thomas J. Walsh, of Montana; William H. King, of Utah; Hubert D. Stephens, of Mississippi; C. C. Dill, of Washington; Sam G. Bratton, of New Mexico; Hugo L. Black, of Alabama; and M. M. Neely, of West Virginia.

On the Library: Simeon D. Fess, of Ohio (chairman); Robert B. Howell, of Nebraska; Hiram Bingham, of Connecticut; Peter Norbeck, of South Dakota; W. Warren Barbour, of New Jersey; Kenneth McKellar, of Tennessee; Alben W. Barkley, of Kentucky; Elmer Thomas, of Oklahoma; and Hattie W. Caraway, of Arkansas.

On Manufactures: Robert M. La Follette, jr., of Wisconsin (chairman); Charles L. McNary, of Oregon; Jesse H. Metcalf, of Rhode Island; Phillips Lee Goldsborough, of Maryland; H. D. Hatfield, of West Virginia; James J. Davis, of Pennsylvania; Bronson Cutting, of New Mexico; Ellison D. Smith, of South Carolina; Burton K. Wheeler, of Montana; Morris Sheppard, of Texas; Robert J. Bulkley, of Ohio; and Edward P. Costigan, of Colorado.

On Military Affairs: David A. Reed, of Pennsylvania (chairman); Bronson Cutting, of New Mexico; Roscoe C. Patterson, of Missouri; Robert D. Carey, of Wyoming; Samuel M. Shortridge, of California; Daniel O. Hastings, of Delaware; L. J. Dickinson, of Iowa; Warren R. Austin, of Vermont; W. Warren Barbour, of New Jersey; Duncan U. Fletcher, of Florida; Morris Sheppard, of Texas; Hugo L. Black, of Alabama; William J. Harris, of Georgia; Marcus A. Coolidge, of Massachusetts; J. Hamilton Lewis, of Illinois; and M. M. Logan, of Kentucky.

On Mines and Mining: Roscoe C. Patterson, of Missouri (chairman); Tasker L. Oddie, of Nevada; Arthur R. Robinson, of Indiana; Lynn J. Frazier, of North Dakota; John Thomas, of Idaho; H. D. Hatfield, of West Virginia; James J. Davis, of Pennsylvania; Thomas J. Walsh, of Montana; Key Pittman, of Nevada; Carl Hayden, of Arizona; Duncan U. Fletcher, of Florida; and W. J. Bulow, of South Dakota.

On Naval Affairs: Frederick Hale, of Maine (chairman); Tasker L. Oddie, of Nevada; Samuel M. Shortridge, of California; Jesse H. Metcalf, of Rhode Island; Charles W. Waterman, of Colorado; Phillips Lee Goldsborough, of Maryland; Hamilton K. Kean, of New Jersey; James J. Davis, of Pennsylvania; Henry W. Keyes, of New Hampshire; Claude A. Swanson, of Virginia; Park Trammell, of Florida; David I. Walsh, of Massachusetts; Millard E. Tydings, of Maryland; Joseph T. Robinson, of Arkansas; Ellison D. Smith, of South Carolina; and George McGill, of Kansas.

On Patents: Felix Hebert, of Rhode Island (chairman); George W. Norris, of Nebraska; Charles W. Waterman, of Colorado; Phillips Lee Goldsborough, of Maryland; Ellison D. Smith, of South Carolina; C. C. Dill, of Washington; and Park Trammell, of Florida.

On Pensions: Arthur R. Robinson, of Indiana (chairman); Thomas D. Schall, of Minnesota; Lynn J. Frazier, of North Dakota; James Couzens, of Michigan; Roscoe C. Patterson, of Missouri; L. J. Dickinson, of Iowa; Burton K. Wheeler, of Montana; George McGill, of Kansas; Cordell Hull, of Tennessee; and Henrik Shipstead, of Minnesota.

On Post Offices and Post Roads: Tasker L. Oddie, of Nevada (chairman); George H. Moses, of New Hampshire; Porter H. Dale, of Vermont; Thomas D. Schall, of Minnesota; Lynn J. Frazier, of North Dakota; Felix Hebert, of Rhode Island; Arthur Capper, of Kansas; Robert M. La Follette, jr., of Wisconsin; Wallace H. White, jr., of Maine; W. Warren Barbour, of New Jersey; Kenneth McKellar, of Tennessee; Park Trammell, of Florida; Carl Hayden, of Arizona; George McGill, of Kansas; Josiah William Bailey, of North Carolina; John H. Bankhead, of Alabama; W. J. Bulow, of South Dakota; James F. Byrnes, of South Carolina; and M. M. Logan, of Kentucky.

On Printing: Henrik Shipstead, of Minnesota (chairman); George H. Moses, of New Hampshire; Arthur H. Vandenberg, of Michigan; L. J. Dickinson, of Iowa; Duncan U. Fletcher, of Florida; David I. Walsh, of Massachusetts; and Carl Hayden, of Arizona.

On Privileges and Elections: Samuel M. Shortridge, of California (chairman); James E. Watson, of Indiana; Charles W. Waterman, of Colorado; George H. Moses, of New Hampshire; Otis Glenn, of Illinois; Daniel O. Hastings, of Delaware; John J. Blaine, of Wisconsin; Felix Hebert, of Rhode Island; Warren R. Austin, of Vermont; William H. King, of Utah; Walter F. George, of Georgia; Ellison D. Smith, of South Carolina; Sam G. Bratton, of New Mexico; Tom Connally, of Texas; Robert J. Bulkley, of Ohio; Thomas P. Gore, of Oklahoma; and M. M. Logan, of Kentucky.

On Public Buildings and Grounds: Henry W. Keyes, of New Hampshire (chairman); Simeon D. Fess, of Ohio; Reed Smoot, of Utah; Samuel M. Shortridge, of California; L. J. Dickinson, of Iowa; Warren R. Austin, of Vermont; W. Warren Barbour, of New Jersey; Henry F. Ashurst, of Arizona; Park Trammell, of Florida; Claude A. Swanson, of Virginia; Millard E. Tydings, of Maryland; David I. Walsh, of Massachusetts; Tom Connally, of Texas; and Henrik Shipstead, of Minnesota.

On Public Lands and Surveys: Gerald P. Nye, of North Dakota (chairman); Reed Smoot, of Utah; Peter Norbeck, of South Dakota; Tasker L. Oddie, of Nevada; Porter H. Dale, of Vermont; Bronson M. Cutting, of New Mexico; Frederick Steiwer, of Oregon; Robert D. Carey, of Wyoming; Key Pittman, of Nevada; John B. Kendrick, of Wyoming; Thomas J. Walsh, of Montana; Henry F. Ashurst, of Arizona; Robert F. Wagner, of New York; C. C. Dill, of Washington; and Sam G. Bratton, of New Mexico.

On Rules: George H. Moses, of New Hampshire (chairman); Frederick Hale, of Maine; James E. Watson, of Indiana; Porter H. Dale, of Vermont; Reed Smoot, of Utah; David A. Reed, of Pennsylvania; Hiram Bingham, of Connecticut; Joseph T. Robinson, of Arkansas; Pat Harrison, of Mississippi; Claude A. Swanson, of Virginia; Kenneth McKellar, of Tennessee; Royal S. Copeland, of New York; and M. M. Neely, of West Virginia.

On Territories and Insular Affairs: Hiram Bingham, of Connecticut (chairman); Hiram W. Johnson, of California; Arthur R. Robinson, of Indiana; Gerald P. Nye, of North Dakota; Jesse H. Metcalf, of Rhode Island; Arthur H. Vandenberg, of Michigan; Bronson M. Cutting, of New Mexico; Charles L. McNary, of Oregon; Key Pittman, of Nevada; William J. Harris, of Georgia; Edwin S. Broussard, of Louisiana; Carl Hayden, of Arizona; Millard E. Tydings, of Maryland; Harry B. Hawes, of Missouri; and William H. King, of Utah.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LA FOLLETTE:

A bill (S. 1558) to amend certain laws relating to American seamen, and for other purposes; and

A bill (S. 1559) relating to the payment of advance wages and allotments in respect of seamen on foreign vessels, and making further provision for carrying out the purposes of the seamen's act, approved March 4, 1915; to the Committee on Commerce.

By Mr. WALSH of Montana:

A bill (S. 1561) authorizing an appropriation of \$10,000,000 for construction of highways in drought-stricken areas; to the Committee on Post Offices and Post Roads.

By Mr. MCGILL:

A bill (S. 1562) for the relief of William S. Cook; to the Committee on Military Affairs.

A bill (S. 1563) granting a pension to Matthew Mitchell;

A bill (S. 1564) granting a pension to Grover A. Moody; and

A bill (S. 1565) granting an increase of pension to William T. Conley; to the Committee on Pensions.

By Mr. BROUSSARD:

A bill (S. 1566) for the relief of Thomas C. Smith and others; to the Committee on Claims.

By Mr. GEORGE:

A bill (S. 1567) establishing a revolving fund to be administered by the Secretary of Agriculture for agricultural-credit purposes; to the Committee on Agriculture and Forestry.

By Mr. COPELAND:

A bill (S. 1568) to extend the benefits of the employees' compensation act of September 7, 1916, to Mary Elizabeth O'Brien, a former employee of the United States Veterans' Bureau; to the Committee on Claims.

A bill (S. 1569) for the relief of Della D. Ledendecker; to the Committee on the District of Columbia.

A bill (S. 1570) granting a pension to Alice E. Pillsbury; to the Committee on Pensions.

By Mr. KENDRICK:

A bill (S. 1571) for the relief of George Stoll and the heirs of Charles P. Regan, Marshall Turley, Edward Lannigan, James Manley, and John Hunter; to the Committee on Claims.

A bill (S. 1572) for the relief of Ralph H. Lasher, alias Ralph C. Lasher;

A bill (S. 1573) for the relief of Joseph Franklin; and

A bill (S. 1574) to provide for the commemoration of the Grattan Massacre, in the State of Wyoming; to the Committee on Military Affairs.

A bill (S. 1575) granting a pension to Clara V. Wilson (with accompanying papers);

A bill (S. 1576) granting a pension to Frances H. Carson (with accompanying papers);

A bill (S. 1577) granting a pension to Jim Bailey;

A bill (S. 1578) granting a pension to Almontie M. Webster; and

A bill (S. 1579) granting a pension to Pearl Helms; to the Committee on Pensions.

By Mr. WHEELER and Mr. WALSH of Montana:

A bill (S. 1580) to authorize the distribution of 50,000,000 bushels of surplus wheat for relief purposes (with an accompanying paper);

By Mr. WHEELER:

A bill (S. 1581) to amend section 4 of the grain futures act; and

A bill (S. 1582) to provide for the establishment of a meteorological station at Missoula, Mont.; to the Committee on Agriculture and Forestry.

A bill (S. 1583) to amend the World War veterans' act as amended; to the Committee on Finance.

A bill (S. 1584) for the relief of Jens P. Jepsen; to the Committee on Military Affairs.

A bill (S. 1585) for the relief of Moses White Horse; and

A bill (S. 1586) for the relief of the estate of Robert J. Franzel; to the Committee on Claims.

By Mr. BRATTON:

A bill (S. 1587) to provide for payments to certain property owners in New Mexico for losses caused by the floods in the Rio Grande Valley during 1929; to the Committee on Irrigation and Reclamation.

A bill (S. 1588) to authorize the Secretary of the Interior to issue patents for lands held under color of title;

A bill (S. 1589) to provide for the erection and operation of public bath houses at Hot Springs, N. Mex.;

A bill (S. 1590) granting certain public lands to the State of New Mexico for the use and benefit of the Eastern New Mexico Normal School, and for other purposes;

A bill (S. 1591) authorizing the reimbursement of Edward B. Wheeler and the State Investment Co. for the loss of certain lands in the Mora Grant, N. Mex.; and

A bill (S. 1592) to convey certain lands in San Juan County, N. Mex.; to the Committee on Public Lands and Surveys.

A bill (S. 1593) granting an increase of pension to Sarah E. Horton; to the Committee on Pensions.

A bill (S. 1594) for the relief of Albert Gonzales;

A bill (S. 1595) for the relief of the heirs of Cristobal Ascarate;

A bill (S. 1596) for the relief of Manuel A. Martinez;

A bill (S. 1597) for the relief of J. B. McGhee;

A bill (S. 1598) for the relief of Martin E. Riley; and

A bill (S. 1599) for the relief of Nicholas Gallegos; to the Committee on Claims.

A bill (S. 1600) to create a commission to collect and publish the records of American women in war; to the Committee on Education and Labor.

A bill (S. 1601) to further extend the benefits of hospitalization under the World War veterans' act, 1924, as amended, to certain veterans of the Spanish-American War, the Philippine insurrection, and the Boxer rebellion;

A bill (S. 1602) for the relief of George Harry Stranahan;

A bill (S. 1603) to amend section 19 of the World War veterans' act, 1924, as amended; and

A bill (S. 1604) to amend subdivision (7) of section 202 and section 500 of the World War veterans' act, 1924, as amended; to the Committee on Finance.

A bill (S. 1605) for the relief of William F. Singletary; to the Committee on Military Affairs.

A bill (S. 1606) granting an increase of pension to Caroline F. Hanley;

A bill (S. 1607) granting an increase of pension to Belle M. Forsha;

A bill (S. 1608) granting a pension to Rosa Risdon;

A bill (S. 1609) granting an increase of pension to Sarah M. Hatfield;

A bill (S. 1610) granting an increase of pension to Ellen E. Billingsley;

A bill (S. 1611) granting a pension to John Michael Stafford;

A bill (S. 1612) granting a pension to George R. Hutchison;

A bill (S. 1613) granting a pension to Joe Hitchins;

A bill (S. 1614) to amend section 4 of the act of March 3, 1927, granting pensions to certain soldiers who served in the Indian wars from 1817 to 1898, and for other purposes;

A bill (S. 1615) granting a pension to Mary Felicite Martin;

A bill (S. 1616) granting a pension to Daniel Armijo (insane);

A bill (S. 1617) granting an increase of pension to R. L. Baca;

A bill (S. 1618) granting a pension to Ida Lyons;

A bill (S. 1619) granting an increase of pension to Jennie Cooney;

A bill (S. 1620) granting a pension to Mary M. Chenoweth;

A bill (S. 1621) granting an increase of pension to John L. Tenney;

A bill (S. 1622) granting an increase of pension to John Mosley; and

A bill (S. 1623) granting a pension to William Bates; to the Committee on Pensions.

By Messrs. BRATTON, CUTTING, SHEPPARD, and CONNALLY:

A bill (S. 1624) providing for the issuance of patents upon certain conditions to lands and accretions thereto determined to be within the State of New Mexico, in accordance with the decree of the Supreme Court of the United States entered April 9, 1928; to the Committee on Public Lands and Surveys.

By Mr. McKELLAR:

A bill (S. 1625) for the relief of James R. Mansfield; to the Committee on Claims.

A bill (S. 1626) for the relief of Lester L. Huff; to the Committee on Naval Affairs.

A bill (S. 1627) granting a pension to Anna Dabney (with accompanying papers); and

A bill (S. 1628) granting a pension to Guy Will Cain (with accompanying papers); to the Committee on Pensions.

By Mr. NEELY:

A bill (S. 1629) granting a pension to Earl J. Bennett;

A bill (S. 1630) granting an increase of pension to Amelia Bee;

A bill (S. 1631) granting an increase of pension to Francis M. Britton;

A bill (S. 1632) granting an increase of pension to William A. Hawkins; and

A bill (S. 1633) for the relief of Joseph May; to the Committee on Pensions.

A bill (S. 1634) granting compensation to Joseph M. Burr; and

A bill (S. 1635) for the relief of the legal representatives of George W. McGinnis; to the Committee on Claims.

A bill (S. 1636) to provide for the erection at Parkersburg, W. Va., of a memorial monument to certain veterans of the Civil War; to the Committee on Military Affairs.

By Mr. DILL:

A bill (S. 1637) to create the United States monetary conference committee, to prescribe the duties thereof, and for other purposes; to the Committee on Finance.

A bill (S. 1638) for the relief of Hans Dahl; to the Committee on Naval Affairs.

A bill (S. 1639) for the relief of Henry Rasmussen;

A bill (S. 1640) for the relief of William W. Giles, deceased;

A bill (S. 1641) for the relief of William L. Charlton;

A bill (S. 1642) for the relief of Patrick H. Holland;

A bill (S. 1643) for the relief of Thomas M. Buist;

A bill (S. 1644) for the relief of August F. T. Oelschlager;

A bill (S. 1645) for the relief of Harry Fallon;

A bill (S. 1646) for the relief of Robert Gray Fry;

A bill (S. 1647) for the relief of Thomas O'Connor; and

A bill (S. 1648) for the relief of Edward H. Scott; to the Committee on Military Affairs.

A bill (S. 1649) for the relief of Fred Ferch;

A bill (S. 1650) for the relief of Naomi L. Thompson; and

A bill (S. 1651) for the relief of William M. Wiser; to the Committee on Claims.

By Mr. WAGNER:

A bill (S. 1652) for the relief of Gustav A. Ringelman; and

A bill (S. 1653) for the relief of Francis Stephen Smith; to the Committee on Naval Affairs.

By Mr. McNARY:

A bill (S. 1654) relating to the retirement of the present senior member of the Board of Engineers for Rivers and Harbors; to the Committee on Military Affairs.

A bill (S. 1655) for the relief of Charles J. Lauman; to the Committee on Claims.

A bill (S. 1656) to authorize the Secretary of the Navy to make a long-term contract for a supply of water to the United States naval station at Guantanamo Bay, Cuba; to the Committee on Naval Affairs.

By Mr. FESS:

A bill (S. 1657) granting a pension to Sarah Pennel (with accompanying papers); and

A bill (S. 1658) granting an increase of pension to Sarah E. Marsh; to the Committee on Pensions.

By Mr. BYRNES:

A bill (S. 1659) to authorize the Secretary of the Treasury to purchase coupons upon outstanding bonds of the Federal land banks; to the Committee on Banking and Currency.

By Mr. BINGHAM:

A bill (S. 1660) to provide for placing certain educational orders to familiarize private manufacturing establishments with the production of certain ordnance and to provide for manufacture of certain ordnance by Government-owned arsenals; to the Committee on Military Affairs.

By Mr. SHEPPARD:

A bill (S. 1661) for the relief of James G. Gott; to the Committee on Claims.

By Mr. HAYDEN:

A bill (S. 1662) equalizing annual leave of employees of the Department of Agriculture stationed outside the continental limits of the United States; to the Committee on Agriculture and Forestry.

A bill (S. 1663) to prohibit the sending of unsolicited merchandise through the mails; to the Committee on Post Offices and Post Roads.

A bill (S. 1664) for the relief of Harry H. A. Ludwig; to the Committee on Civil Service.

A bill (S. 1665) for the relief of John W. Adair; and

A bill (S. 1666) for the relief of Harold E. Mitchell; to the Committee on Claims.

By Mr. MORRISON:

A bill (S. 1667) granting a pension to Boyd E. Scott (with accompanying papers);

A bill (S. 1668) granting a pension to George P. Silvy; and

A bill (S. 1669) granting a pension to Emory M. Farrar; to the Committee on Pensions.

A bill (S. 1670) granting Harry P. Cooper the privilege of filing application for benefits under the emergency officers' retirement act; to the Committee on Finance.

A bill (S. 1671) to extend the benefits of the United States employees' compensation act of September 7, 1916, to Ira L. Elliott, a former employee of the Panama Canal, Canal Zone;

A bill (S. 1672) for the relief of William J. Cocke; and

A bill (S. 1673) for the relief of Charles C. Bennett; to the Committee on Claims.

By Mr. JONES:

A bill (S. 1674) to provide for the appointment of an additional district judge for the western district of Washington; to the Committee on the Judiciary.

A bill (S. 1675) to amend section 19 of the World War veterans' act; to the Committee on Finance.

A bill (S. 1676) to provide for the establishment, operation, and maintenance of foreign trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes; to the Committee on Commerce.

A bill (S. 1677) to amend the act of February 12, 1925 (Public, No. 402, 68th Cong.), so as to permit the Cowlitz Tribe of Indians to file suit in the Court of Claims under said act; to the Committee on Indian Affairs.

A bill (S. 1678) to authorize the purchase of an electric-generating, transmission, and distribution system in the Mount Rainier National Park, and for other purposes; and

A bill (S. 1679) releasing and granting to the State of Washington any right, title, and interest of the United States in an island near the mouth of the Columbia River, commonly known as Sand Island, and for other purposes; to the Committee on Public Lands and Surveys.

A bill (S. 1680) for the relief of Theophilus Steele;

A bill (S. 1681) for the relief of volunteer officers and soldiers who served in the Philippine Islands beyond the period of their enlistment; and

A bill (S. 1682) waiving the maximum age limit in the case of First Lieut. William E. Parker and making him eligible for appointment in the Judge Advocate General's department, Regular Army; to the Committee on Military Affairs.

A bill (S. 1683) for the relief of Stillwell Bros. (Inc.);

A bill (S. 1684) for the relief of Heimo Sarkkinen; and

A bill (S. 1685) for the relief of C. H. Reynolds, assignee of the Bitu-Mass Paving Co., of Spokane, Wash.; to the Committee on Claims.

A bill (S. 1686) to amend the naval record of Kenneth A. Kellog, alias Frank Barry; to the Committee on Naval Affairs; and

A bill (S. 1687) granting a pension to Edward W. Jones (with accompanying papers); to the Committee on Pensions.

A bill (S. 1688) granting an increase of pension to Henry Ellis (with accompanying papers); to the Committee on Pensions.

By Mr. REED:

A bill (S. 1689) to provide for the commemoration of the action at Jumonville Camp, in the State of Pennsylvania;

A bill (S. 1690) to make provision for the care and treatment of members of the National Guard, Organized Reserves, Reserve Officers' Training Corps, and citizens' military training camps who are injured or contract disease while engaged in military training, and for other purposes;

A bill (S. 1691) to amend section 47c, national defense act, as amended, relating to military training required to entitle members of the Reserve Officers' Training Corps to receive commutation of subsistence;

A bill (S. 1692) to amend section 90 of the national defense act, as amended, relative to the employment of caretakers for National Guard organizations;

A bill (S. 1693) to provide for appropriate military records for persons who, pursuant to orders, reported for military duty but whose induction into the service was, through no fault of their own, not formally completed on or prior to November 30, 1918; and

A bill (S. 1694) to authorize the Secretary of War to exchange obsolete, surplus, deteriorated, or unserviceable supplies or equipment for new supplies or equipment of the same general character; to the Committee on Military Affairs.

A bill (S. 1695) to permit the naturalization of certain Filipinos who have served in the United States Army (with accompanying papers); to the Committee on Immigration.

By Mr. REED:

(By request.) A bill (S. 1696) to amend the World War veterans' act, 1924, as amended; and

(By request.) A bill (S. 1697) to provide for the establishment of a permanent medical service in the Veterans' Administration; to the Committee on Finance.

By Mr. BANKHEAD:

A bill (S. 1698) providing for regulation of the transportation of cotton in interstate and foreign commerce, and for other purposes; to the Committee on Agriculture and Forestry.

By Mr. LOGAN:

A bill (S. 1699) for the relief of Charles B. Arrington; and
A bill (S. 1700) for the relief of Elmer Blair; to the Committee on Military Affairs.

A bill (S. 1701) for the relief of James Earl Johnston; and
A bill (S. 1702) for the relief of Luther Foster; to the Committee on Naval Affairs.

By Mr. BULKLEY:

A bill (S. 1703) for the relief of the Fred G. Clark Co.; to the Committee on Claims.

A bill (S. 1704) authorizing certain investigations and surveys of the water resources of the State of Ohio, and for other purposes; to the Committee on Commerce.

By Mr. WALSH of Massachusetts:

A bill (S. 1705) for the relief of Samuel C. Davis; to the Committee on Claims.

A bill (S. 1706) for the relief of Harry Siegel; to the Committee on Military Affairs.

By Mr. SHIPSTEAD:

A bill (S. 1707) amending the public building act approved March 4, 1931, authorizing acquisition of building sites and construction of public buildings at Hibbing, Minn., and other places; and

A bill (S. 1708) authorizing the Secretary of the Treasury to grant and convey to the city of Duluth an easement for park purposes upon certain lands constituting the site of the former post office, customhouse, and courthouse building in said city, together with the right to wreck and remove said structure thereon; to the Committee on Public Buildings and Grounds.

A bill (S. 1709) for the relief of George Johnson (with accompanying papers); to the Committee on Military Affairs.

A bill (S. 1710) providing for a per capita payment of \$50 to each enrolled member of the Chippewa Tribe of Minnesota

from the funds standing to their credit in the Treasury of the United States; to the Committee on Indian Affairs.

A bill (S. 1711) relating to the war-risk insurance of Olaf O. Quarve; to the Committee on Finance.

By Mr. HULL:

A bill (S. 1712) granting a pension to Herbert Hale; and
A bill (S. 1713) granting a pension to Nora Binnix; to the Committee on Pensions.

By Mr. ROBINSON of Arkansas:

A bill (S. 1714) for the relief of Furman E. McCammon; to the Committee on Military Affairs.

By Mr. JOHNSON:

A bill (S. 1715) amending an act of Congress approved February 28, 1919 (40 Stat. L. 1206), granting the city of San Diego certain lands in the Cleveland National Forest and the Capitan Grande Indian Reservation for dam and reservoir purposes for the conservation of water, and for other purposes, so as to include additional lands; to the Committee on Public Lands and Surveys.

By Mr. BARKLEY:

A bill (S. 1716) to confer additional jurisdiction on the United States Board of Tax Appeals, and for other purposes; to the Committee on Finance.

A bill (S. 1717) for the relief of the American-La France & Foamite Corporation of New York; to the Committee on Claims; and

A bill (S. 1718) granting a pension to Philip T. West; to the Committee on Pensions.

By Mr. THOMAS of Oklahoma:

A bill (S. 1719) amending the act of Congress entitled "An act authorizing the Wichita and Affiliated Bands of Indians in Oklahoma to submit claims to the Court of Claims," approved June 4, 1924;

A bill (S. 1720) to authorize the expenditure of \$25,000 for nurses' home and equipment at the Fort Sill Indian Hospital, Lawton, Okla.;

A bill (S. 1721) to authorize the expenditure of \$40,000 for a fireproof gymnasium-auditorium, a shop building, and for other repairs and equipment at the Fort Sill Indian School, Lawton, Okla.; and

A bill (S. 1722) to authorize the expenditure of \$40,000 to construct a fireproof gymnasium-auditorium, addition to school building, and other repairs and equipment at the Riverside Indian School; to the Committee on Indian Affairs.

A bill (S. 1723) for the relief of J. Worrell Henry; and
A bill (S. 1724) for the relief of Charley Bokis; to the Committee on Military Affairs.

A bill (S. 1725) granting an increase of pension to Peter F. Weasel; to the Committee on Pensions.

By Mr. SCHALL:

A bill (S. 1726) to provide for the nomination and selection of candidates for the offices of President, Vice President, Senators, and Representatives in Congress, for the election of such candidates to office, and for other purposes; to the Committee on Privileges and Elections.

A bill (S. 1727) providing for payment of \$50 to each enrolled Chippewa Indian of Minnesota from the funds standing to their credit in the Treasury of the United States; to the Committee on Indian Affairs.

By Mr. SHIPSTEAD:

A bill (S. 1728) for the relief of Charles D. Jeronimus; to the Committee on Naval Affairs.

A bill (S. 1729) to amend and correct the military record of Albert Kaman;

A bill (S. 1730) to amend and correct the military record of Robert J. Smith;

A bill (S. 1731) for the relief of Albert M. Cassidy; and
A bill (S. 1732) for the relief of William Kiefer; to the Committee on Military Affairs.

A bill (S. 1733) granting an increased annuity to Thomas A. Kelly; and

A bill (S. 1734) to provide for a 5-day week for certain Government employees; to the Committee on Civil Service.

A bill (S. 1735) for the relief of the heirs of John Booren, deceased;

A bill (S. 1736) for the relief of Vincent J. Conrad;

A bill (S. 1737) to adjudicate the claim of Knud O. Flakne, a homestead settler on the drained Mud Lake bottom, in the State of Minnesota;

A bill (S. 1738) for the relief of Catterina Pollino;

A bill (S. 1739) for the relief of John C. Seebach;

A bill (S. 1740) for the relief of L. Elbert Van Buren;

A bill (S. 1741) for the relief of Fred W. L. Wallman;

A bill (S. 1742) for the relief of Gustave C. Wetterling;

A bill (S. 1743) for the relief of John Gorman;

A bill (S. 1744) for the relief of Pete Jelovac;

A bill (S. 1745) for the relief of Alvina Hollis; and

A bill (S. 1746) for the relief of Joseph Watkins; to the Committee on Claims.

A bill (S. 1747) granting a pension to Katherine M. Owens (with accompanying papers);

A bill (S. 1748) granting an increase of pension to Adaline A. Allen (with accompanying papers); and

A bill (S. 1749) granting a pension to Jane Price (with accompanying papers); to the Committee on Pensions.

By Mr. HAWES:

A bill (S. 1750) to amend the act approved May 15, 1928, entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes"; to the Committee on Commerce.

By Mr. NORBECK:

A bill (S. 1751) to amend the Federal farm loan act, as amended, to provide for additional capital for Federal land banks, and for other purposes; to the Committee on Banking and Currency.

A bill (S. 1752) to authorize an appropriation for the purchase of land in South Dakota for use as camp sites or rifle ranges for the National Guard of said State; to the Committee on Military Affairs.

A bill (S. 1753) authorizing the expenditure of funds for the thinning out of timber and the planting of young trees in the burnt-over areas in the Black Hills and Harney National Forests in the States of South Dakota and Wyoming; to the Committee on Public Lands and Surveys.

A bill (S. 1754) granting an increase of pension to Joseph T. Stapleton;

A bill (S. 1755) granting a pension to David F. Gritton;

A bill (S. 1756) granting a pension to Howard J. Sheehan;

A bill (S. 1757) granting a pension to Amos O. Cox;

A bill (S. 1758) granting a pension to Bill H. D. Wing;

A bill (S. 1759) granting an increase of pension to Esther A. Dixon (with accompanying papers);

A bill (S. 1760) granting a pension to Harriett Warne (with accompanying papers);

A bill (S. 1761) granting an increase of pension to Mary F. Dobson (with accompanying papers);

A bill (S. 1762) granting a pension to Daniel R. McKay (with accompanying papers); and

A bill (S. 1763) granting a pension to Gustav Van Overschelde; to the Committee on Pensions.

By Mr. GLENN:

A bill (S. 1764) for the relief of T. D. Randall & Co.; and

A bill (S. 1765) for the relief of the heirs of Julius Nowak; to the Committee on Claims.

By Mr. GOLDSBOROUGH:

A bill (S. 1766) for the relief of Southern Overall Co.; and

A bill (S. 1767) for the relief of Sallie S. Twilley; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 1768) to provide for the opening and closing of roads within the boundaries of the District of Columbia workhouse property at Occoquan, Fairfax County, Va.; and

A bill (S. 1769) to authorize pay patients to be admitted to the contagious-disease ward of the Gallinger Municipal Hospital; to the Committee on the District of Columbia.

A bill (S. 1770) for the relief of Stanton & Jones; to the Committee on Claims.

A bill (S. 1771) granting a pension to Hannah A. Smith (with accompanying papers); and

A bill (S. 1772) granting a pension to Allison J. Little (with accompanying papers); to the Committee on Pensions.

By Mr. PATTERSON:

A bill (S. 1773) giving jurisdiction to the Court of Claims to hear and determine the claim of the Cherokee Fuel Co.; to the Committee on Claims.

A bill (S. 1774) granting an increase of pension to Rosina Dohon (with accompanying papers);

A bill (S. 1775) granting a pension to Eliza Ford (with accompanying papers);

A bill (S. 1776) granting a pension to Belle Hockensmith (with accompanying papers);

A bill (S. 1777) granting a pension to Susie Fike (with accompanying papers);

A bill (S. 1778) granting an increase of pension to Elizabeth Cole (with accompanying papers);

A bill (S. 1779) granting a pension to Charles T. Almond (with accompanying papers);

A bill (S. 1780) granting a pension to Martha Day (with accompanying papers);

A bill (S. 1781) granting an increase of pension to Emma S. Jones (with accompanying papers);

A bill (S. 1782) granting a pension to Sarah K. Copeland;

A bill (S. 1783) granting a pension to Rilla M. Hatfield;

A bill (S. 1784) granting a pension to Jemima M. Metcalf;

A bill (S. 1785) granting a pension to Mary A. Lane;

A bill (S. 1786) granting an increase of pension to Susan A. Taylor;

A bill (S. 1787) granting a pension to Daniel T. Boisseau;

A bill (S. 1788) granting a pension to Henry Coonce; and

A bill (S. 1789) granting a pension to Willie S. George; to the Committee on Pensions.

By Mr. BLAINE:

A bill (S. 1790) for the relief of James W. Harrison; to the Committee on Military Affairs.

A bill (S. 1791) for the relief of Joseph Abel; to the Committee on Claims.

A bill (S. 1792) granting an increase of pension to Archie C. Woods (with accompanying papers);

A bill (S. 1793) granting a pension to George Larson (with accompanying papers);

A bill (S. 1794) granting a pension to Patrick Quinlan (with accompanying papers);

A bill (S. 1795) granting a pension to Ove H. Gram (with accompanying papers);

A bill (S. 1796) granting an increase of pension to Mary Jane Evans (with accompanying papers);

A bill (S. 1797) granting an increase of pension to Rosa Helms; and

A bill (S. 1798) granting an increase of pension to Frank Brown; to the Committee on Pensions.

By Mr. BROOKHART:

A bill (S. 1799) to provide for the immediate payment to veterans of the face value of their adjusted-service certificates; to the Committee on Pensions.

By Mr. SHORTRIDGE:

A bill (S. 1800) for the relief of Patrick Shaughnessy; and

A bill (S. 1801) for the relief of Glenn Catterall; to the Committee on Naval Affairs.

A bill (S. 1802) for the relief of Malven A. Williams;

A bill (S. 1803) for the relief of George A. Turner;

A bill (S. 1804) for the relief of Howard F. Trenholm;

A bill (S. 1805) for the relief of Robert Clyde Scott;

A bill (S. 1806) for the relief of James Perkins;

A bill (S. 1807) for the relief of Aloysius E. O'Flaherty;

A bill (S. 1808) to correct the military record of John Malik;

A bill (S. 1809) for the relief of Samuel S. Knox;

A bill (S. 1810) to correct the military record of Jacob Kaufmann;

A bill (S. 1811) for the relief of Alfred O. Huestis;

A bill (S. 1812) to correct the military record of James D. Henderson; and

A bill (S. 1813) for the relief of Thomas Burns; to the Committee on Military Affairs.

A bill (S. 1814) granting a pension to Ethel V. Walker;

A bill (S. 1815) granting a pension to George Thornes;

A bill (S. 1816) granting a pension to Cohen R. Thomas;

A bill (S. 1817) granting an increase of pension to Anna L. Sweet;

A bill (S. 1818) granting a pension to Lena Shaw;

A bill (S. 1819) granting an increase of pension to Albert M. Ryan;

A bill (S. 1820) granting an increase of pension to Austin T. Rogers;

A bill (S. 1821) granting a pension to John O. Pelto;

A bill (S. 1822) granting a pension to Mary Nichols;

A bill (S. 1823) granting an increase of pension to Florence E. Moseley;

A bill (S. 1824) granting a pension to Hiram E. Morrill;

A bill (S. 1825) granting an increase of pension to Alexander Lewis;

A bill (S. 1826) granting a pension to Arthur Hunt;

A bill (S. 1827) granting a pension to Frank B. Hayes;

A bill (S. 1828) granting a pension to Anna Furman;

A bill (S. 1829) granting a pension to Olive M. Fritz;

A bill (S. 1830) granting a pension to Horace Burson;

A bill (S. 1831) granting an increase of pension to Royal L. Brooks;

A bill (S. 1832) granting an increase of pension to George Bingham;

A bill (S. 1833) granting a pension to Elizabeth P. Bell; and

A bill (S. 1834) granting a pension to Harold G. Bates; to the Committee on Pensions.

A bill (S. 1835) granting disability allowance to Harvey Wilson; and

A bill (S. 1836) for the relief of William D. Barbee; to the Committee on Finance.

A bill (S. 1837) for the relief of the Yosemite Lumber Co.; and

A bill (S. 1838) for the relief of John F. Considine; to the Committee on Claims.

By Mr. BRATTON:

A joint resolution (S. J. Res. 45) proposing an amendment to the Constitution providing for the exclusion of aliens in the apportionment of Representatives among the several States; to the Committee on Commerce.

A joint resolution (S. J. Res. 46) providing for the designation and maintenance of a national cemetery at Fort Bayard, N. Mex.; to the Committee on Military Affairs.

By Mr. FESS:

A joint resolution (S. J. Res. 47) for the improvement of Chevy Chase Circle with a fountain and appropriate landscape treatment; to the Committee on the Library.

By Mr. REED:

A joint resolution (S. J. Res. 48) to authorize the acceptance on behalf of the United States of the bequest of the late William F. Edgar, of Los Angeles County, State of California, for the benefit of the museum and library connected with the office of the Surgeon General of the United States Army; to the Committee on Military Affairs.

A joint resolution (S. J. Res. 49) granting consent of Congress to a compact or agreement between the Commonwealth of Pennsylvania and the State of New Jersey creating the Delaware River Joint Commission and specifying the powers and duties thereof; to the Committee on Commerce.

By Mr. GOLDSBOROUGH:

A joint resolution (S. J. Res. 50) to authorize the Commissioners of the District of Columbia to close upper Water Street between Twenty-second and Twenty-third Streets; to the Committee on the District of Columbia.

By Mr. SCHALL:

A joint resolution (S. J. Res. 51) proposing an amendment to the Constitution of the United States, providing for popular election of President and Vice President; to the Committee on the Judiciary.

PROPOSED ACCEPTANCE OF SILVER IN PAYMENT OF FOREIGN DEBTS

Mr. SMOOT. Mr. President, I am introducing a bill for the purpose of relieving the distressed condition of silver.

I have been, and am still, in hope that we will ultimately be successful in securing an international conference on this most vital problem.

I want to assure the Senate and the country that I am of the firm opinion that England and France will sooner or later come to the inevitable conviction that an international conference on silver will be to their advantage as well as to the advantage of the rest of the world.

The bill (S. 1560) to authorize and direct the Secretary of the Treasury to accept silver in payment of foreign debts was read twice by its title.

Mr. SMOOT. I move that the bill be referred to the Committee on Finance.

The motion was agreed to.

BROADCASTING PROCEEDINGS OF SENATE

Mr. DILL. I submit a resolution relative to broadcasting the proceedings of the Senate, which I ask unanimous consent to have printed in the RECORD and referred to the Committee on Rules.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

The resolution (S. Res. 71) was referred to the Committee on Rules and ordered to be printed in the RECORD, as follows:

Resolved, That the Sergeant at Arms of the Senate is hereby directed at as early a date as practicable, to equip the Senate Chamber with the proper electrical connections to which microphones for radio broadcasting may be attached, and also to install microphones, control switchboards, and all other apparatus necessary for connection of microphones with any broadcasting station or stations for the purpose of broadcasting speeches, debates, or proceedings of the Senate as may be decided from time to time by the Senate Committee on Rules, and the necessary expense for such installation of electrical connections and equipment and for the maintenance and operation of the same is hereby authorized to be paid out of the contingent fund of the Senate.

The Committee on Rules of the Senate is hereby authorized to make arrangements for the broadcasting of such proceedings of the Senate as the committee may determine through such radio broadcasting stations as it may be possible to arrange for broadcasting without expense to the Senate or the Government.

RELIEF OF UNEMPLOYMENT

Mr. WAGNER. I offer a resolution which I ask to have read for the information of the Senate.

The resolution (S. Res. 72) was read, as follows:

Whereas the Secretary of Commerce has reported that in January, 1931, there were in the United States 6,050,000 persons ready, willing, and able to work, totally unemployed, seeking jobs, and unable to find any; and

Whereas according to the Bureau of Labor Statistics employment in manufacturing establishments in the United States declined from an index of 73.1 in January, 1931, to an index of 67.3 in October, 1931; and

Whereas the index of pay-roll totals paid in manufacturing establishments in the United States has declined from 62.3 in January, 1931, to 53.7 in October, 1931; and

Whereas the number of bank suspensions, which in the first 10 months of 1930 amounted to 747, has in the first 10 months of 1931 reached a total of 1,753; and

Whereas production, as measured by the Federal Reserve Board, has declined from an index of 82 in January, 1931, to an index of 77 in September, 1931; and

Whereas freight-car loadings have, according to the report of the Federal Reserve Board, declined from an adjusted index of 82 in January, 1931, to an adjusted index of 69 in September, 1931; and

Whereas the total volume of the foreign commerce of the United States, as reported by the Department of Commerce, has declined from \$6,629,000,000 during the first 9 months of 1928 to \$3,460,000,000 during the first 9 months of 1931, a decline of 48 per cent, which decline is in greater detail represented as follows:

Exports

1928, January through September	\$3,559,000,000
1929, January through September	3,844,000,000
1930, January through September	2,954,000,000
1931, January through September	1,842,000,000

disclosing a falling off during the first 9 months of 1931 in the sale of American goods abroad of \$1,717,000,000, as compared with the volume of the first nine months of 1928, a decline of 49 per cent.

Imports

1928, January through September	\$3,070,000,000
1929, January through September	3,359,000,000
1930, January through September	2,401,000,000
1931, January through September	1,618,000,000

disclosing a falling off during the first nine months of 1931 in American imports of \$1,452,000,000, as compared with the volume of the first nine months of 1928, a decline of 48 per cent.

Whereas the index of wholesale prices of all commodities has declined from 77 in January, 1931, to 69 in September, 1931; and

Whereas the volume of construction as measured by the value of contracts awarded as reported by the Federal Reserve Board has been as follows:

July, August, and September, 1928.....	\$1,629,000,000
July, August, and September, 1929.....	1,586,720,000
July, August, and September, 1930.....	1,046,700,000
July, August, and September, 1931.....	770,200,000

disclosing a decline in the volume of construction for the third quarter of 1931 of \$858,800,000, as compared with the third quarter of 1928, a decline of 53 per cent; and

Whereas from January, 1928, through September, 1928, the volume of building contracts awarded amounted to \$5,010,000,000, and from January, 1931, through September, 1931, the volume of building contracts awarded amounted to \$2,562,700,000, which discloses a decline of \$2,447,300,000, or 48.8 per cent; and

Whereas the volume of construction of public works and public utilities, as measured by the value of contracts awarded, has been as follows:

From January to September, 1929.....	\$1,039,043,000
From January to September, 1930.....	1,383,300,000
From January to September, 1931.....	982,700,000

and

Whereas the wholesale prices of building materials have declined from an index of 82.9 in January, 1931, to 74.9 in September, 1931; and

Whereas the amount of money spent for relief in the larger American cities, as reported by the Russell Sage Foundation of New York, was in September, 1931, 142 per cent greater than in September, 1930, and in October, 1931, 113 per cent greater than in October, 1930; and

Whereas all of the available economic data give evidence of the fact that there has been a continuous and substantial increase of the number of persons unable to secure employment and of the number of families whose resources have been exhausted and who are, therefore, dependent upon the help of public and private agencies for the means of existence; and

Whereas the Federal Government is, for reasons which spring from the very purpose of its organization, charged with the duty of providing for the general welfare of the United States and must, therefore, exert its full powers to promote the improvement of business conditions and alleviate suffering; and

Whereas it is in the public interest and in furtherance of public morale wherever possible to provide work rather than charity for those in need of employment; and

Whereas it is in consonance with the dictates of sound and prudent economy to utilize the idle time of those who are willing and ready to work in the construction of such public works and the prosecution of such public projects as will contribute to the permanent wealth and progress of this Nation; and

Whereas the prompt and vigorous prosecution of an extensive public-works program in an amount of \$2,000,000,000 would not only provide useful employment to many hundred thousands of workers now unwillingly idle but would, in addition, stimulate private trade, revitalize private industry, and put into circulation a stream of purchasing power which would bring new life to every branch of the economic efforts of the American people, agricultural as well as industrial; and

Whereas it is both feasible and sound by financing the cost thereof through long-term bonds to conduct such a public-works program without adding to the immediate tax burden; and

Whereas Congress has made provision for such a situation by the enactment of the employment stabilization act of 1931, intending thereby that "during periods of business depression" the power of the Federal Government shall be exercised through its construction agencies "to aid in preventing unemployment" and to relieve the hardships and rigors which it imposes; Therefore be it

Resolved, That the President, the Federal Employment Stabilization Board, the Director of the Bureau of the Budget, and the construction agencies as defined in the Federal employment stabilization act (46 Stat. 1084) are severally requested to exercise the authority conferred upon them by said act to the end that supplemental estimates of public-works emergency appropriations in an amount of \$2,000,000,000 may at the earliest possible time be transmitted to Congress pursuant to such act, so that an emergency public-works program may be inaugurated and the policy of Congress declared in such act may be effectuated.

Mr. WAGNER. Mr. President, I ask that the resolution may lie upon the table, to be called up at a later date.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the resolution will lie on the table.

PROPOSED RECOGNITION OF SOVIET GOVERNMENT OF RUSSIA

Mr. BORAH submitted the following resolution (S. Res. 73), which was referred to the Committee on Foreign Relations:

Resolved, That the Senate of the United States favors the recognition of the Soviet Government of Russia.

HEARINGS BEFORE THE FOREIGN RELATIONS COMMITTEE

Mr. BORAH submitted the following resolution (S. Res. 74), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Foreign Relations, or any subcommittee thereof, be, and hereby is, authorized during the Seventy-second Congress to send for persons, books and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per hundred words, to report such hearings as may be had in connection with any subject which may be before said committee, the expenses thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during the sessions or recesses of the Senate.

PROPOSED INVESTIGATION OF ANTITRUST LAWS

Mr. KING submitted the following resolution (S. Res. 75), which was referred to the Committee on the Judiciary:

Whereas to prevent monopolies and combinations in restraint of trade and efforts to obtain monopolistic control of trade and commerce laws were enacted by the Congress which are still in force; and

Whereas notwithstanding the enactment of said laws, monopolies and organizations seeking monopolistic control of industry, trade, commerce, and credit still exist, and the contention is made that some of them are not within the terms of said laws; and

Whereas it is believed that said laws should be strengthened in order that the purpose for which they were enacted might be realized: Now, therefore

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized to conduct an investigation for the purpose of determining what, if any, legislation is required to strengthen and extend the provisions of said laws.

The committee shall report as soon as practicable the results of its investigation, together with its recommendations, if any, for necessary legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold hearings; to sit and act at such times and places during the sessions and recesses of the Senate in the Seventy-second and succeeding Congresses until the final report is submitted; to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; and to take such testimony and make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman.

RETAIL PRICES OF WHEAT, MEAT, AND SUGAR PRODUCTS

Mr. McNARY submitted the following resolution (S. Res. 76), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That Senate Resolutions No. 374, agreed to January 16, 1931, and No. 407, agreed to January 19, 1931, authorizing and directing the Committee on Agriculture and Forestry to investigate the failure of retail prices of wheat, meat, and sugar products to reflect the decline in prices paid the producer of such food products, hereby are continued in full force and effect during the Seventy-second Congress.

EMPLOYMENT OF EXPERT IN HISTORY OF BILLS AND RESOLUTIONS

Mr. McNARY submitted the following resolution (S. Res. 77), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he is hereby, authorized and directed to employ an expert in the history of bills and resolutions, who shall report daily to the office of each Senator, in writing or otherwise, any change in status of or action on such bills and resolutions as may have been introduced by such Senator or in which such Senator may be interested. Said expert shall be paid from the contingent fund of the Senate at the rate of \$2,400 per annum until otherwise provided by law.

LIZZETTE K. BAER

Mr. SHORTRIDGE. Mr. President, I submit a resolution for the relief of Lizzette K. Baer, widow of a faithful messenger of the Sergeant at Arms. I request the committee to which the resolution shall be referred to take favorable action on it.

The resolution (S. Res. 78) was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the appropriation for miscellaneous items, contingent fund of the Senate, fiscal year 1931, to Lizzette K. Baer, widow of Nathan Baer, late a messenger of the Senate

under direction of the Sergeant at Arms, a sum equal to six months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

HEARINGS BEFORE THE COMMITTEE ON INDIAN AFFAIRS

Mr. FRAZIER submitted the following resolution (S. Res. 79), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Indian Affairs, or any subcommittee thereof, is authorized, during the Seventy-second Congress, to send for persons, books, and papers, to administer oaths, and to employ a stenographer, at a cost not exceeding 25 cents per 100 words, to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE THE COMMITTEE ON EDUCATION AND LABOR

Mr. METCALF submitted the following resolution (S. Res. 80), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Education and Labor, or any subcommittee thereof, is hereby authorized, during the Seventy-second Congress, to send for persons, books, and papers, to administer oaths, and employ a stenographer at a cost not exceeding 25 cents per hundred words to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

HEARINGS BEFORE THE COMMITTEE ON PUBLIC BUILDINGS AND GROUNDS

Mr. KEYES submitted the following resolution (S. Res. 81), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Public Buildings and Grounds, or any subcommittee thereof, is authorized during the Seventy-second Congress to send for persons, books, and papers, to administer oaths, and to employ a stenographer at a cost not exceeding 25 cents per one hundred words to report such hearings as may be had on any subject before said committee, the expense thereof to be paid out of the contingent fund of the Senate; and that the committee, or any subcommittee thereof, may sit during any session or recess of the Senate.

WILLIAM E. KENNEY

Mr. BLAINE submitted the following resolution (S. Res. 82), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Sergeant at Arms of the Senate is authorized and directed to employ William E. Kenney as doorkeeper at a salary of \$2,040 per annum, to be paid out of the contingent fund of the Senate until otherwise provided by law.

PAGE FOR THE SENATE LIBRARY

Mr. WATSON submitted the following resolution (S. Res. 83), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Sergeant at Arms hereby is authorized and directed to employ a page for the Senate Library, to be paid at the rate of \$120 per month from the contingent fund of the Senate, until otherwise provided by law.

SHORT SELLING ON STOCK EXCHANGES

Mr. TOWNSEND (for Mr. HASTINGS) submitted the following resolution (S. Res. 84), which was referred to the Committee on Banking and Currency:

Whereas many people believe that the practice of "short selling" of listed securities tends to reduce the price of such securities below their actual or normal value; and

Whereas the New York Stock Exchange insists that such practice is justifiable and tends to stabilize the market for such securities; and

Whereas it is essential that the Senate be fully informed with respect to the actual effect of "short selling" upon security values; Therefore be it

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized and directed (1) to make a thorough and complete investigation of the practice of "short selling" of listed securities upon the various stock exchanges and the effect of such practice upon the actual or normal values of such securities, and (2) to report to the Senate as soon as practicable the results of such investigation, and if in its judgment such practice should be prohibited, to submit with such report its recommendations for the necessary remedial legislation.

For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized to hold such hear-

ings; to sit and act at such times and places during the first session of the Seventy-second Congress; to employ such experts and clerical, stenographic, and other assistants; to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents; to administer such oaths; and to take such testimony and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee, which shall not exceed \$3,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

OCEAN MAIL CONTRACTS

Mr. McKELLAR submitted the following resolution (S. Res. 85), which was ordered to lie on the table:

Resolved, That the Postmaster General be, and he is hereby, requested and directed to furnish to the Senate at the earliest practicable moment the following information, as of date June 30, 1931:

1. A list of the various ocean mail contracts made under title 4, merchant marine act, 1928, with steamship companies for carrying ocean mail, such list showing the date of the contract, the name of the contractee, the mileage of the contract, the amount of compensation, the route of the contract, the number of voyages in fact made, the amounts of mail in pounds of each class carried under said contract on each such voyage, and the name of the vessel making each such voyage. If a space contract has been entered into, the amount of space purchased and paid for, and give reasons for entering into such space contracts.

2. The amounts of compensation which would have been paid for transporting such mail, each voyage, had there been no such contract.

3. State whether such contracts are uniform with each mail-ship company; and if so, furnish a copy of the contract entered into. If the several contracts differ, point out the differences in such contracts and furnish copies of each of same; also copies of the advertisements on which the bids were based, with date of first insertion.

4. The number and names of the corporations carrying ocean mail for the Government under such contracts, whether the said companies are organized under a State or National law or organized under the laws of foreign countries. If such companies, or any of the same, are owned or controlled by aliens or by foreign steamship companies, or other holding companies, then give the names of such owning, holding, or controlling company, with the names of the board of directors of each contracting company and of each holding, controlling, and operating company.

5. The name of any other person or company bidding on contracts and the bids of which were rejected; the amounts of such rejected bids, and the reason for rejecting such bids, if such were rejected.

6. An ocean map showing the route and mileage of all such contracts and showing the name of the company carrying each.

7. Give the names and officers and attorneys of each such contractor, together with the board of directors of each company.

8. Finally, a tabulated statement concerning all these contracts showing, among other things, the number of bids received, the amount of each bid and the reasons for acceptance or rejection of same, the bids accepted, the changes made in the contracts of any steamship company if changes have been made, the amounts paid per mile, the amount of space, the number of pounds for transportation by each steamship under the original contracts and the changes or extensions of contracts, the payments actually made to various mail-carrying ocean carriers, including the method of payment and the amounts of appropriation and the amounts actually expended out of said appropriation, and finally any other information pertinent to these contracts available in your office.

OPERATIONS OF FEDERAL LAND AND JOINT-STOCK BANKS

Mr. McKELLAR submitted the following resolution (S. Res. 86), which was ordered to lie on the table:

Resolved, That the Federal Farm Loan Board be, and it is hereby, requested and directed to report to the Senate at the earliest possible moment the number of farm loans held by the Federal land banks and joint-stock banks now in arrears, giving the same by States up to December 1, 1931; also how many foreclosures have been made or ordered during the years 1929 and 1930 and 1931 up to December 1. The Farm Loan Board is further requested and directed to furnish the Senate with the number of farms bought in by the various land banks at their foreclosure sales, and the number of farms still owned by the banks.

CONDITIONS IN MANCHURIA

Mr. JOHNSON submitted the following resolution (S. Res. 87), which was referred to the Committee on Foreign Relations:

Resolved, That the Secretary of State be, and he is hereby, requested to transmit to the Senate the notes, correspondence, and communications from the Government of the United States to the Governments of China and Japan or to the government of any other nation relating to the present existing conditions in Manchuria, and the controversy between China and Japan, which has

resulted in armed encounters in Manchuria; and particularly any messages, notes, or communications from the United States Government to either the Governments of Japan or China referring to the treaty entered into at the city of Washington on the 6th day of February, 1922, by the United States, Belgium, British Empire, China, France, Italy, Japan, the Netherlands, and Portugal, known as the 9-power treaty, and referring to the treaty entered into by Japan and China, the United States, and other nations, and commonly known as the Kellogg pact; and also the notes, messages, letters, and communications sent or transmitted by the Government of the United States to the League of Nations, or any individual or committee representing the League of Nations, relating to the said conditions in Manchuria, and the said Chinese and Japanese controversy; or sent or transmitted to any individual or individuals representing the Government of the United States in said matters acting with or in conjunction with the League of Nations or the Council of the League of Nations, or any individual or committee representing the League of Nations or the Council of the League of Nations.

CHANGE OF REFERENCE OF BILLS

Mr. KING. Mr. President, on the 9th instant I submitted a bill (S. 10) authorizing the Commissioners of the District of Columbia to designate an officer to represent the District government on the floor of the Senate and House of Representatives, which was referred to the Committee on the District of Columbia. I have discovered that perhaps it should have gone to the Committee on Rules. I therefore ask that the Committee on the District of Columbia be discharged from the further consideration of the resolution and that it be referred to the Committee on Rules.

The VICE PRESIDENT. Without objection, that order will be made.

Mr. BINGHAM. Mr. President, I ask unanimous consent that the bill (S. 418) to extend the admiralty laws of the United States of America to the Virgin Islands, which was referred to the Committee on Territories and Insular Affairs, be rereferred to the Committee on Commerce. It concerns the admiralty law, and should go to that committee.

The VICE PRESIDENT. Without objection, the Committee on Territories and Insular Affairs will be discharged from the further consideration of the bill, and the bill will be referred to the Committee on Commerce.

DEDICATION OF COLONIAL NATIONAL MONUMENT (S. DOC. NO. 19)

Mr. SWANSON. Mr. President, Dr. Ray Lyman Wilbur, Secretary of the Interior, delivered a very interesting address at Yorktown, Va., on October 16, 1931, upon the occasion of the dedication of the Colonial National Monument. I ask that the address may be printed as a public document.

The VICE PRESIDENT. Without objection, it is so ordered.

PROPOSED MONETARY CONFERENCE

Mr. DILL. Mr. President, I desire to address the Senate on a bill I have just introduced.

The VICE PRESIDENT. Is there objection to the Senator from Washington addressing the Senate? The Chair hears none, and the Senator from Washington will proceed.

Mr. DILL. Mr. President, the senior Senator from Utah [Mr. Smoot] has to-day introduced a bill which proposes to place silver on a monetary basis to the extent of allowing one kind of debtors of this Government to pay their debts in silver. I rise to discuss the proposal for a few moments, and also a proposal which I have made in the form of the bill which I have introduced myself.

It seems to me that the proposal of the Senator from Utah is not fair to the interests of this country. It is not just, because it is a one-sided bargain. Either all debtors should be allowed to use silver in payment of their debts, or none should be allowed to do so.

Any such plan as is suggested by the Senator from Utah would inevitably result in the dumping of large quantities of silver from our debtor nations into this country.

Last summer we were told that the reason why the President would not call the international conference on the silver question requested by the Senate resolution agreed to at the last session of Congress was that England was not willing to enter such a conference. To-day England and other countries owing this Government are desirous of having their debts revised. They are coming to this Government

for a favor, and it would seem that if they want a favor they should be willing to enter a conference and consider things which might be a favor to this country and result, as I believe, in great benefits to the world.

If this Government is to accept silver in payment of debts owing it, there is but one fair and sensible and economic thing to do, and that is to make silver a basis for money, give it a monetary value, establish it as a medium of world exchange, and let it be used as a basis for the payment of public and private debts, whether between governments or between individuals.

For the reasons I have stated, namely, that the countries of Europe which owe us money are desirous now of bargaining with us as to the payment of their debts, it seems appropriate that we should propose an international conference for the purpose of working out a basis for the use of silver as money, and when such proposals have been agreed upon and ratified by the governments concerned, we may then authorize the President to accept silver or gold in payment of these debts, but not until that is done.

I have therefore introduced a bill proposing that a monetary conference committee be appointed, with a membership of 9, 3 of them to be chosen by the President, 3 from the Senate by the Vice President, and 3 from the House of Representatives by the Speaker of the House, and that that committee be authorized to meet with the representatives of other governments which this Government may invite for the purpose of agreeing upon silver as a monetary basis and a basis for world exchange; and that if such proposals are made and ratified, then it will be lawful for the President to provide that these annual payments may be made in silver so long as those countries continue to retain silver as a standard of value for money.

Mr. President, I can not refrain from saying a few words about the developments since Congress met, in connection with the foreign-debt proposal.

Mr. SHORTRIDGE. Mr. President, will the Senator suffer a question before he enters upon the discussion of that feature?

Mr. DILL. Yes; I yield to the Senator.

Mr. SHORTRIDGE. These several nations agreed to pay us certain sums of money at certain times. Did they not agree to pay us in gold?

Mr. DILL. They did.

Mr. SHORTRIDGE. Why do they not do it?

Mr. DILL. I think primarily because they have not the gold, and they can not get the gold; and the fact that they can not get the gold is the best reason on earth why we and they should be willing to enlarge the basis of currency throughout the world.

Mr. SHORTRIDGE. We have bonds outstanding payable in gold, have we not?

Mr. DILL. Yes.

Mr. SHORTRIDGE. Does the Senator know of any way by which our Government can be relieved from meeting those obligations by payment in gold?

Mr. DILL. Mr. President, that is another question, which I do not think I shall undertake to discuss at this time, because that relates to the redemption of our own bonds by payments from our own Treasury, and while it might be considered somewhat connected I do not think it necessarily is involved in this discussion, and I would rather not be led into such discussion, because I do not want to speak at any length upon this subject to-day. At a later date I shall hope to discuss this whole question in greater detail and in connection with the many ramifications it involves.

Mr. KING. Mr. President—

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Utah?

Mr. DILL. I yield.

Mr. KING. I did not quite understand from the Senator the function which the President is to perform in connection with this monetary conference. Is it left to his discretion as to whether he will invite nations? If that is true, I suggest that the Senator amend his bill to compel the President by the act to invite nations.

Mr. DILL. I did not place a mandatory provision in the bill. It seemed to me that if the bill were passed or if a bill of this kind were passed by both Houses of Congress and the President signed it, that would be sufficient. If the President gave his assent to it as a law, for I propose it as a law, that would be sufficient. However, that is a matter which could be considered by the committee.

I was about to say when I was interrupted that the President proposed in his message to Congress on this subject a revival of the World War Foreign Debt Commission. Not within my knowledge—and I doubt if in recent history—has any proposal by a President on an international subject been turned down so completely and so overwhelmingly in so short a time by members of both parties in Congress as was his proposal. Within 48 hours it became evident that there was not a chance for such a bill to be passed. In the words of the Senator from Idaho [Mr. BORAH], I believe it was, it was "as dead as Julius Cæsar."

Then the Secretary of the Treasury attempted to resurrect the dead proposal. In his explanation of what the President meant he said that the administration is opposed to cancellation. He proceeded to explain what the President meant, and as I read it I was impressed that it was in reality a proposal to balance the British budget. He gave as a basis for his argument the fact that owing to the depreciation of the value of the English pound it would be necessary, if we held to the present annual payment, for England to increase almost 50 per cent the number of pounds to be paid to the United States, and that in the interest of the British budget, in effect, we should cut down the annual payment to an amount that would cause England to be required to pay no greater number of pounds, inflated though they may be, in paying her debt to this country.

But the Secretary of the Treasury, this man who had been compared to Alexander Hamilton before the hard times came upon us, this man whom some one has described in a book as "the man who stayed too long," would have the Congress and the American people believe that this is not cancellation. I do not know whether the Secretary of the Treasury considers the Members of Congress and the people a "bunch of boobs" or whether he was trying to draw a red herring across the trail of thought so strong against cancellation. If that principle is to be recognized it is an invitation to every government that owes the United States to inflate its currency, because every time it might inflate its currency, every time it might cheapen its money, we would revise our agreement with it so it will not need to pay any more than the same number of pounds or francs or whatever its money may be. That proposal died, I think, almost before it was born, because it was worse than an outright proposal of cancellation.

The Senator from Utah [Mr. SMOOT] now comes forward with a plan that is still one-sided, but it does have the merit of calling attention to the fact that silver might very properly be used in the payment of international obligations. However, it still has the fatal weakness that the President's plan has, that Mr. Mellon's explanation has, namely, that it will benefit nobody except the countries who are to be relieved of their debts to the extent that they would be relieved by this proposed method. It is about time that somebody proposed something in relation to this matter that will benefit the rest of the world and particularly the United States. I suggest an international conference to be called now, that will establish silver as one of the bases of money in the world, as a basis for world exchange. This would not only benefit the debtor nations of the United States but will benefit the people of the United States and the rest of the world. God knows there is need of some such proposition being adopted by the nations of the world.

The senior Senator from Nevada [Mr. PITTMAN] a few days ago in a masterful address showed quite conclusively the advantages of using silver as a basis of money throughout the world. I shall not attempt at this time to repeat or enlarge upon what he said, but I do want to call attention to the great need of money throughout the world for world trade. A year or so ago, when Soviet Russia was reported to

be exchanging goods with other countries for other goods, newspaper and magazine editors, economists, and Government officials of this country pointed to it as an example of the failure of the Soviet Government. They said it proved the inability of the Soviet Government to meet the needs of modern civilization and modern trade. Yet within a few months afterwards we saw our own Farm Board, an arm of our Government, trading and bartering our wheat for Brazilian coffee.

I noted yesterday a newspaper article by Carl Duisberg, known as the Rockefeller of Germany, which opened with the statement that the nations of the world are now bartering like the Negro tribes of Africa. While that is probably an exaggerated statement, it does call attention to the fact that we are no longer using money for trade as we did in the past, but we are resorting to barter. Within our own borders we have seen the bartering system carried out in a remarkable manner. Out in the wheat country, where they produced vast quantities of wheat last year, we saw advertisements in the newspapers where theater managers were offering to give the people a theater ticket or two theater tickets for a bushel of wheat. We saw great furniture stores advertising chairs and settees and various pieces of dining-room furniture for so many bushels of wheat. We saw certain quantities of groceries offered for so many bushels of wheat; a pair of shoes for so many bushels of wheat; and a suit of clothes for so many bushels of wheat. I heard only the other day that the State Fair Association of Indiana, from which State hails our beloved colleague the leader on the Republican side [Mr. WARSON], charged a bushel of wheat as an admission to the State fair this year.

I mention these things simply to call attention to the fact that there is need of an enlargement of our currency system in order to provide a broader basis for the money of this country and of the world. Unless we do establish a broader base for the currency of this land and of the world, then we can only go on enlarging the great credit structure upon the ever-narrowing base of gold. The only proposal we have before us along that line is one coming from the President, and is that we shall take the taxpayers' money and shall loan it upon securities upon which good bankers and private investors will not loan money to-day, or, what is worse, take up the frozen securities of banks that have defaulted because the loans were not such as could be liquidated, and doubtless in these times could not be made to pay even the value of the amount of the loan.

I shall not enlarge upon the subject at this time; but I did want, in the light of discussions going on in newspapers and proposals being made, all of them in the interest of foreign governments alone, to offer something that it seemed to me would give this Government a chance to bargain a little bit and get something on its side of the ledger in dealing with these foreign debts. When we had the former debt revision commission we got nothing except cancellation of practically two-thirds of our foreign indebtedness. I think that fact more than any other is the reason why the Members of Congress and the American people immediately turned against the proposal to revive the World War Foreign Debt Commission. They have been taught by bitter experience with the last one that when we deal with the word "revision" in connection with foreign debts it means cancellation. Congress has consented to all of the cancellation that they believe should be consented to. If the foreign countries can not pay their debts, then let them come forward frankly and say so, and let them delay or repudiate as best they may; but let us not be guilty by our own action of giving them credits upon which to continue building up their vast armaments and, worst of all, after getting ready for another war, have credits upon which they can borrow funds throughout the world as a result of the cancellation of their just debts which we have granted.

ECONOMIC CONDITIONS IN THE UNITED STATES

Mr. LA FOLLETTE. Mr. President, I ask unanimous consent to have printed in the RECORD an article by Charles G. Ross which appeared in the St. Louis Post-Dispatch on

November 29, 1931. There are conclusions in the article with which I can not agree, but it is a very comprehensive discussion of the economic situation.

The VICE PRESIDENT. Without objection, it is so ordered.

The article is as follows:

[From the St. Louis Post-Dispatch, Sunday morning, November 29, 1931]

THE COUNTRY'S PLIGHT—WHAT CAN BE DONE ABOUT IT?—PRESENT-DAY DISTRIBUTION OF WEALTH FOUND TO BE THE ROOT CAUSE OF BOTH "OVERPRODUCTION" AND UNEMPLOYMENT—AN EXPOSITION OF WHAT PRESIDENT HOOVER HAS CHARACTERIZED AS "THE GREATEST CRISIS THE WORLD HAS EVER KNOWN"—THE SIGNIFICANT FACTS UNDERLYING THE NATIONAL PREDICAMENT WHICH WILL BE PRESENTED TO THE COMING CONGRESS

By Charles G. Ross, chief Washington correspondent of the Post-Dispatch

I.—Hard times have produced hard thinking—The capitalistic system of government is on trial

WASHINGTON, November, 1931.—To a greater extent than ever before in this generation the people of the United States are thinking in realistic terms. The old slogans by which the thought—or the emotion—of the country was guided in the Coolidge era have been examined and found to be but a form of words. The mood in which the country accepted as inspired doctrine the prophecies of "a chicken in every pot" and "a job for every man" has changed into one of doubt and questioning. Now that "this, the greatest crisis the world has ever known," as President Hoover called it in his Indianapolis speech last summer, has run into its third year, the voices of even the most confident believers in the early return of prosperity are pitched in a lower key.

Too much gilt has been rubbed off the forecasts of the past for any political or industrial seer to tell us in the present state of things that "prosperity lies just around the corner." We have begun to see, as the wise Mr. Justice Holmes said in another connection, that "certitude is not the test of certainty." We know now that "we have been cocksure of many things that were not so."

CHALLENGE TO BE MET

Events have forced us to consider the facts. Phrases do not feed the hungry, or give jobs to the six or seven million who want work and can not find it. The jobless man can derive no comfort from the proclamation that we are merely in one of those "cyclical" depressions which are bound to come every so often and, having passed, leave us better off than before. Hard times have produced hard thinking. In one line, at least, underconsumption is not to be deplored. We are consuming less and less of the buncombe engendered in the lush days of our prosperity—and in this fact lies some measure of compensation for the plight into which we have got ourselves.

One need not go into the field of radical writing to find vigorous expression of the view that the capitalistic system is on trial. In growing numbers, highly placed defenders of capitalism, men who have prospered under it and who desire its basic features preserved, are saying that if capitalism is successfully to meet the challenge of other forms of social organization, it must clean house.

Not Norman Thomas, the Socialist leader, but Daniel Willard, the president of the Baltimore & Ohio Railroad, told the Wharton School of Finance and Commerce last spring that a system which permitted five or six million men to be out of work in a country bursting with wealth "can be said to have failed in at least one very important detail." It was Willard, again, and no member of a proscribed order, who said that if he were one of the jobless in those circumstances he would steal before he would starve.

WARNING FROM CAPITALISTS

No upholder of the Marxian philosophy, but Robert S. Brookings, wealthy retired manufacturer, president emeritus of Washington University, of St. Louis, wrote in the Post-Dispatch this year, in advocating a modified form of capitalism, that "our western civilization must vindicate its worth if it is to endure." And he added that it could vindicate its worth "only by demonstrating its ability to correct its own defects and its consequent capacity for constructive development."

Prof. F. W. Taussig, of Harvard, sees "control and power concentrated in a few hands to an ominous degree," and Henry W. Anderson, conservative Virginia lawyer and a member of the Wickersham Commission, finds in his recent survey of the causes of crime that the American people, as an incident to the exploitation for private gain of one of the most fruitful areas of the world, have "created the widest spread between the extremes of wealth and poverty existing in the western world."

Senator JAMES COUZENS, of Michigan, who helped to create the Ford Motor Co. and made a fortune out of it, sounds the warning that "people will not suffer indefinitely in the midst of plenty," and Dr. L. D. Coffman, president of the University of Minnesota, declares that "communism in its various forms will not be held at bay by negative actions."

MORE THAN A "DEPRESSION"

Dr. Nicholas Murray Butler, president of Columbia University, asserts that we are passing through no ordinary depression but through a revolutionary period brought on by long-accumulating

forces. What the country needs, he says, is "personalities who are not anxious, like the jockey, to keep their seats in politics but who are willing to tell the people the truth and to guide them toward a constructive, a liberal, and a progressive solution of these vast problems."

Dean Wallace B. Donham, of the Harvard Graduate School of Business Administration, author of *Business Adrift*, said to the recent meeting of the International Chamber of Commerce in Washington that if there were not sufficient brains and good will in the world to solve the problems of the depression, "then our mass production, our scientific progress, our control over nature may actually destroy civilization."

Quotations of this sort might be multiplied. They are appearing in our newspapers and magazines almost daily. They represent the views not of revolutionists who would destroy capitalism but of thoughtful men who believe in capitalism and would save it from its own excesses.

II.—We must know the facts if we are to deal intelligently with the depression

It is the purpose of this article to set out, as simply as may be, the elements—the A, B, C—of the plight in which the country finds itself. Diagnosis is the chief aim, not prescription. One of the writers already quoted, Professor Taussig, says that we have made hardly any progress toward obviating or even minimizing the curse of unemployment; that with respect to prevention or remedy we are all very much in the dark. Decrying the assumption that "one simple panacea" will bring back prosperity, he pleads "for moderation and good sense, for cessation of sham talk about sham remedies, for an earnest facing of the really great, really ominous problems."

That is, if we are to get anywhere at all toward the solution of our problems, we must know the root facts out of which they spring. Such is the confusion of counsel from various sources that it is no wonder the people are at times bemused. What are we to believe when the Chamber of Commerce of the United States and Gerard Swope, the president of the General Electric Co., present to us hopefully plans for the "stabilization" of industry, while, on the equally authoritative other hand, Albert H. Wiggin, the chairman of the board of the Chase National Bank, informs a Senate committee that "no commission or any brain in the world" will avail to prevent future depressions?

STATING THE REAL ISSUES

What are we to believe when we find business groups in solemn conclave adopting resolutions against the interference of government in business, and then, the next day, running to the Government for subsidies and subventions? How shall we choose between the mutually destructive theses that we should build up a large foreign trade as a guaranty against unemployment, and that we should take no step to lower our tariff barriers or reduce the war debts?

We must know the facts underlying our depression if we are to form enlightened judgments upon it. Because of the babel of tongues offering remedies, we mistake, too often, the symptom for the disease, and in the clamor for Government action we are prone to forget there are limits beyond which the Government, under the Constitution, can not go. We need to distinguish between the sham remedy, designed to meet the political expediency of the moment, and the remedy that strikes at the root of the disease.

The coming session of Congress will have before it economic issues of transcendent importance. It will be, at the least, a highly interesting session. It may be historic. Only if the citizen has certain essential facts clearly in mind can he follow the unfolding of the drama at Washington with intelligence and understanding.

III.—The distinction between the Government's depression and the general depression—Why the Government is in debt

It is important in our thinking about the American depression to keep clear the distinction between the United States, meaning the whole people thereof, and the Government of the United States. These two entities are often confused; hence, for one reason, the loose assumption that whatever the Government may do to get itself out of its depression will likewise help to get the American people out of their depression.

The problem is not so simple. The Government is a part of the whole. It follows that if the American people, with or without Government aid, regain a measure of prosperity, this prosperity will be reflected in the financial status of the Government; but it does not follow that the curing of the Government's particular depression—its excess of outgo over income—will spell good times for the country.

GOVERNMENT'S PLIGHT SEPARATE

In other words, the American depression presents a duplex problem. The Government is head over heels in debt. It ran a deficit during the last fiscal year of \$903,000,000, and the deficit for the current fiscal year, which began last July 1, stood on November 1 at \$661,000,000. Private industry and business are likewise in a bad way, and hence the people of the United States, who are dependent upon private industry and business for their wages or dividends, are in a bad way. Each person, therefore, has a dual interest in the depression. He wants his Government to get out of the hole it is in, so that it will stop calling on him (or his children) for increased taxes, and he wants industry and business to get out of their depression, so that his income may be brought back to a satisfactory level.

The Government's depression flows from and is a part of the general depression in the United States. It needs, however, because of the special set of problems involved, to be considered separately.

FROM A FEAST TO A FAMINE

Only 14 years ago we were marveling that the Government had reached a billion-dollar level of receipts and expenditures. To-day by virtue of the normal expansion of Government activities in a fast-growing country and the abnormal expansion caused by the war, it is spending more than \$4,000,000,000 a year. Nearly a billion of this goes for military pensions, compensation, etc., and the care of disabled veterans, and more than a billion for interest on and statutory retirement of the war debt. As long as the country remained fairly prosperous it was easy enough to collect the revenues to cover our outlays. It was so easy, in fact, that notwithstanding four successive tax reductions since the war (five if we count the temporary reduction of 1929), the Government had an unbroken series of surpluses from 1920 down to and including the fiscal year 1930.

The change began in the fiscal year 1931, when the effects of the general business depression began to make themselves felt. These effects were double-barreled: They sharply reduced the proceeds from income and miscellaneous taxes and from customs tariffs and they heightened expenditures for relief. In addition, there was a further drying up of nonrecurrent sources of revenues, such as the sale of surplus property and the returns from war-time loans to the railroads—items which, by contributing to the impressive Treasury surpluses of earlier days, had helped to make the fame of Secretary Mellon as "the greatest Secretary of the Treasury since Alexander Hamilton."

EXPENSES KEEP RIGHT ON

Under our present revenue system, the Government depends on corporation and individual income taxes for more than half its receipts. These taxes combined yielded for the fiscal year 1930 \$2,410,986,977, and for the following year only \$1,860,201,640. The proceeds of miscellaneous internal-revenue taxes (such as the tobacco tax), which form the second largest source of income, dropped from \$628,308,035 in 1930 to \$567,978,579 in 1931. The total decline in internal-revenue receipts from all sources (income tax and miscellaneous) was about 20 per cent, or \$611,965,513. Customs receipts fell from \$587,721,925 to \$300,856,473.

Now, as we have seen, while the Government's revenues have been thus dwindling as a result of hard times, expenses have piled up on an ascending scale. The interest on the war debt must be paid, and the President has said that the statutory provisions for retirement of the debt should not be disturbed. Pensions and annuities must be paid, loans must be advanced to war veterans on their bonus certificates, hospitals for disabled veterans must be maintained. All these items growing out of wars are first charges against the Government, and there is constant pressure upon Congress from the outside, and upon the President from Congress, to have the benefits to veterans increased.

EVEN A DOLE LOOMS UP

There is a postal deficit to be paid; there is money to be advanced to the States under the Federal road acts; there are Government buildings to be erected under an expanded program; there are rivers and harbors to be improved. In prosperity or depression these expenses go on, and some of them are increased by depression.

The Government is in the same position as a manufacturing plant which has suffered a severe loss of business but has been unable to cut its overhead expenses. In the present fiscal year, moreover, the Government may have to spend large sums—whether as dole or in some other guise—for the relief of distress caused by unemployment. Certainly there will be strong demands in Congress for new relief measures.

The farm problem, notwithstanding the \$500,000,000 appropriated by the last Congress for the uses of the Federal Farm Board, remains urgent. And it should be noted, to complete this rough picture of the Government's financial plight, that in this fiscal year, under the Hoover moratorium, it is foregoing the collection of about \$260,000,000 due it on the foreign war debt.

IV.—Economy in government is a good thing, but it can't cure the deficit

Economy in government is a good thing, but it can't cure the deficit.

What can the Government do in order to balance its budget? First and obviously, it can economize. In times like these the cry goes up throughout the land, from people and politicians, that the Government should cut expenses. "Economy" is the promise and watchword of every administration; the slogan of every candidate for office. Chambers of commerce demand a "businesslike" pruning of expenditures, and the average citizen is certain that if he were given control there would be wholesale firing of useless Government clerks and a slaughter of boards, bureaus, and commissions. Equally with the alphabet and the multiplication table economy commands the support of us all.

Economy in government is the easiest thing in the world to preach, because all agree upon it in principle, and the hardest thing in the world to practice. Undoubtedly a material saving would be effected by a thorough overhauling and reorganization of the Government departments. As everybody knows, the present set-up is illogical in many respects and is filled with duplication and overlapping of functions.

The root difficulty here is in unregenerate human nature. Every department wants reorganization and economy—but it wants them only for the other departments. Every Congressman wants the Government to save money—but not by separating any of his own constituents from the pay roll. Every community is willing that the Government shall spend less money, on the whole, for public buildings, Army posts, navy yards, and the like—but it flies to arms if the curtailment reaches into its own midst.

What has lately been happening in connection with the President's effort to pare down the Budget for the next fiscal year is illustrative of the difficulties in the way of effective economy in Government.

THAT NAVY TEMPEST

The President asks the Navy Department to cut a certain sum from its estimates. Immediately the advocates of a big Navy (or, depending on the point of view, an adequate Navy) spring furiously into action. The chairman of the Navy League, a civilian organization, lets out a blast accusing the President of "abysmal ignorance" of the needs of the Navy. A flood of propaganda is loosed with the purpose of showing that if the President has his way the United States will sink to the level of a third-rate naval power.

There is still another reason why the taxpayer can expect only the most modest results from the President's call for reduced outlays. As has been shown he has a limited field in which to operate. Half of every dollar collected by the Government goes to pay the cost of past wars, in the form either of veterans' relief or of interest and amortization charges on the public debt. He must do his shaving on the other half—the half which pays for national defense (future wars); the general administration of the Government; sites for public buildings and their construction; general law enforcement; the promotion and regulation of commerce, industry, and agriculture; the postal deficiency; the building of roads; flood control and the improvement of rivers and harbors, and the promotion of public health, public education and scientific research.

BIG SLICE OUT OF EVERY DOLLAR

National defense, which means the upkeep of the Army and Navy and the building of armaments, has been taking close to 20 cents of the dollar, making the total chargeable to war, past and future, about 70 cents. Manifestly, if the essential Federal services are not to be crippled, there can be only cheese-paring economies in the field of activities covered by the remaining 30 cents, and no saving of this kind, however desirable it may be, can have any appreciable effect on the present financial position of the Government. It is possible, therefore, to applaud the President's economy drive without becoming optimistic as to its outcome. Real economy, translatable into terms of the taxpayer's dollar, can only be achieved by laying the ax vigorously to our expenditures for future war. Whether this should be done is a question for the people, through the Government, to decide.

V.—Should the Government in this emergency depend on borrowing or on new taxation?—How should the burden of new taxation be distributed?

Since it is not possible for the Government, by any conceivable present measures of economy, to make a saving even remotely commensurate with the size of the deficit, it is clear that more money must be found than is now being taken in.

There are two ways in which additional money can be had: By borrowing and by taxation. During the year ended October 31, the public debt was increased, through Treasury short and long term borrowing, by more than a billion dollars, or to a total of \$17,291,000,000. The question that faces Congress is whether the Government should continue to meet its needs by borrowing or should resort, for all or part of the required new revenue, to increased taxes. The question is whether we should shift the burden of the deficit to the future, or, so far as practicable, pay as we go.

There is a growing belief among Congressmen that taxes should be increased. Some, like Senator Borah and Senator Norris, have held from the time the deficit first appeared that the Government should reach with a longer arm into the big incomes in the upper brackets. Others, representing the administration point of view, took the position originally that a tax increase at all costs must be avoided.

AGAINST BIGGER TAXES

Higher taxes, they said, would hurt business and thereby retard economic recovery. All the familiar arguments against cutting into the incomes of the very rich—that the whole people ultimately would pay the bill, that higher levies in the upper brackets would drive an increasing amount of wealth into tax-exempt securities, that the Government should not take money needed in industry—were heard.

It was said, moreover, that with the revival of business, which lay just around the corner, Government revenues would speedily go back to normal; the Government meantime should tide itself over the emergency with new loans, which could easily be paid off in the rosy future.

So ran the case against a tax increase, and it looked until recently as if this counsel would prevail. For one thing, it squared with the philosophy of conservative Republicanism, and, for another, it appealed to that section of the Democratic Party which is eager on the eve of a presidential election to prove that big business has nothing to fear from the Democrats. The present

staggering size of the deficit—it is four times as great for the first four months of the current fiscal year as it was for the corresponding period of the previous year—has materially changed the outlook. Even some of those who previously stood against any revision of the present tax schedules have come to the reluctant conclusion that an increase to supplement the money raised by loans will be necessary.

WHO IS GOING TO PAY?

If new taxes are levied, what shall be their incidence? On this question there are, roughly speaking, two schools of thought, and the difference between them goes down to the fundamental issue that divides men in Congress (and in the Nation and the world) on every vital politico-economic question. Labels in politics are delusive, but in general it may be said that the fight is between conservatives and liberals—between those who believe that the first function of government is to establish prosperity among a privileged class at the top, whence it may diffuse itself at the direction of this class over less fortunate groups, and those who believe that government should concern itself primarily with the welfare of the mass.

A Marxian would say that the battle is merely a part of the age-long struggle between the House of Have and the House of Have Not.

This definition may oversimplify the matter, but no such objection can lie against the statement quoted approvingly by Prof. John Dewey in his book on Individualism, Old and New, that all the great political questions in Washington come back ultimately to problems connected with the distribution of income. The question of how the burden of new taxes shall be apportioned falls precisely within this category.

WEALTH'S DISTRIBUTION

We come now to a point in this article where two topics—that of the Government's depression and that of the whole people's depression—begin to converge. We reach the proposition that the Government, through its taxing power, not only can cure its depression—that is to say, close the gap between receipts and expenses—but by the radical use of that tremendous power can profoundly affect the whole economic and social structure of the country. It can help to bring about a redistribution of wealth.

Let us see, briefly, what the available evidence tells us about the present distribution of wealth. Our best source of information is the annual Statistics of Income, published by the Treasury Department.

In the calendar year 1929, the last year for which figures have been published, about 1 per cent of those making income-tax returns to the Federal Government had about 25 per cent of the aggregate income reported. Persons with incomes of more than \$100,000 each, forming a little more than one-third of 1 per cent of all those reporting, had more than 17 per cent of the income. The number of taxpayers with incomes of more than \$100,000 shows a steady increase from 1921 to 1929, broken only by the stock-market crash of the latter year. In 1921 the total was 2,352; in 1928 it reached the top figure of 15,977; and in 1929, according to the Treasury's preliminary report for that year, it stood at 14,701.

GROWING GREAT FORTUNES

The same progression held good in the class with more than \$1,000,000 income each. Its numbers grew from 21 in 1921 to 511 in 1928, dropping in the following year (preliminary figures again) to 504. Not even the stock-market crash halted the steady upward trend of the curve representing the supremely fortunate few with incomes of more than \$5,000,000 each. There were only 4 persons in this class in 1921; in 1928 there were 26; and the next year there were 36.

Figures could be piled up to show how wealth, in increasing degree, has become concentrated in the hands of a small fraction of the people, but a few more must suffice. The Federal Trade Commission, in a comprehensive study of the national wealth and income of the United States, surveyed the estates of 43,512 decedents in 24 selected counties in 13 States for the period from 1912 to 1923. It found that 1 per cent of the decedents owned 59 per cent of the estimated wealth and that 13 per cent owned 90 per cent of the wealth. The average value of all the estates was \$3,800, but over 91 per cent of the decedents had estates of less than this average. The commission's tables indicate, as it conservatively says, "a rather high degree of concentration."

WHAT THE POOR OWN

It is impossible, of course, to arrive at the exact proportions in which the national wealth is distributed, but certain figures are suggestive. The Industrial Relations Commission has estimated that the rich (2 per cent) own 60 per cent of the accumulated wealth of the Nation, the middle class (33 per cent) own 35 per cent of the wealth, and the poor (65 per cent) own 5 per cent of the wealth.

Reverting to income, as distinguished from accumulated wealth, it is illuminating to note that only 1 person out of every 50 in the United States has a net income of sufficient size to require him to pay a tax upon it to the Federal Government. About 2,500,000 persons, or 2 per cent of the population, pay all that is collected under the Federal income tax; 98 per cent pay none of it. Secretary Mellon uses these figures to support his contention that the income-tax base should be "broadened." They are equally pertinent in showing the maldistribution of wealth in the United States.

INCOMES OF SUPERRICH

The 504 supermillionaires at the top of the heap in 1929 had an aggregate net income, for taxation purposes, of \$1,185,000,000. These 504 persons could have purchased with this income virtually the entire wheat and cotton crops of 1930—the two chief cash crops of the Nation, representing the labor of 1,300,000 wheat farmers and 1,032,000 cotton farmers. When these figures were first put together by Dr. George L. Knapp, of the railway men's newspaper, Labor, the result was called by Senator NORRIS, of Nebraska, "one of the most astounding statements that has ever appeared in print."

Knapp further showed, from official statistics, that in comparison with the \$538,664,187 net income of the 85 wealthiest taxpayers in 1929, the 421,000 workers in the clothing industry received in wages \$475,318,677. In other words, "these 85 men could have paid the entire wage bill of the clothing industry and still had left for themselves about three-quarters of a million apiece."

The point need not be labored. There is growing concentration of American wealth in the hands of a few; there is steady accentuation of "the widest spread between the extremes of wealth and poverty existing in the western world." More and more, thoughtful observers who by no stretch of the imagination can be described as revolutionary or radical are calling our attention to this condition and its dangers.

SOURCES TO BE TAXED

Figures such as the foregoing led the Federal Council of Churches, in a Labor Day message, to point to the "grave imperfections in an economic order which makes possible the stark contrast of vast fortunes and breadlines," and they have prompted such a good conservative as Congressman BACHARACH, of New Jersey, a Republican member of the House Ways and Means Committee, to take a leaf from the Progressive book and propose higher surtaxes, higher estate taxes, and the reimposition of the gift tax. It would be better, says BACHARACH, for Congress to adopt a "timely program with reasonable rates than to delay until the situation becomes more desperate and the door is open to more radical legislation with unreasonable rates."

The various tax proposals coming before Congress may be grouped under two heads. On the one side are those which would "broaden" the tax base and on the other are those which would use the taxing power for the double purpose of raising revenue and breaking up, to some degree, the vast accumulations of wealth revealed by the income-tax statistics. Whether or not there will be a movement to increase income taxes in the lower brackets has not become apparent, but the drive is already under way for a general sales tax or a "selective" sales tax on such commodities as gasoline, radio sets, automobiles, and (in addition to the heavy impost they already bear) cigarettes. A sales tax is the income tax in reverse. It is large or small according to the amount consumed by the taxpayer; the income tax, called by economists one of the fairest taxes ever devised, is large or small according to capacity to pay. A sales tax bears inequitably upon persons of small means; as Prof. E. R. A. Seligman, of Columbia University, has testified, it "sins against the cardinal principle of equality in taxation." The fight for and against a sales tax brings into head-on collision the opposing theories of government which have been mentioned. The tax is advocated at this time, manifestly, in an effort to avert higher levies on the rich.

There are three main items in the opposing program: An increase in the higher brackets of the income tax, an increase in the estate tax, and the restoration of the gift tax.

Under the war-time rates, applicable through the calendar year 1921, the Government collected surtaxes running up as high as 65 per cent on amounts of income over \$1,000,000. Successive general tax reductions have brought the top rate down to 20 per cent and have stopped the graduation of incomes at \$100,000. The rate is 20 per cent—that is to say, no matter how small or how large the excess over \$100,000.

INCOME TAXES IN GREAT BRITAIN

What has happened in respect to the taxes of the very rich can better be shown by a comparison based on the average tax per return and the average rate of tax on incomes in excess of \$1,000,000. In 1918 such incomes paid to the Government an average tax of \$1,326,645 and the average rate of tax worked out at 64.65 per cent. In 1928 the average tax in the same bracket was only \$362,309, and the average rate of tax was \$16.70.

It is interesting to observe that the supermillionaires—those with incomes of more than \$1,000,000, including the topnotchers with incomes of more than \$5,000,000—paid a lower average rate of tax than persons with incomes from \$300,000 to \$1,000,000. The Progressives in Congress are asking why the upward graduation of rates, which is effective through all the brackets from \$10,000 up to \$100,000, should cease at that point. It has been suggested that the rates be stepped up until they reach a maximum figure of 35 or 40 per cent on amounts of income over \$500,000. Forty per cent was the maximum rate carried in the revenue act of 1924.

In urging that the bulk of any increased tax burden be laid on taxpayers with net incomes in excess of \$100,000, Congressman BACHARACH pointed out that there had been an increase of more than 5,000 in the number in this class since 1925 and drew the conclusion that "the rich are getting richer and the poor poorer."

The American income-tax rates invite comparison with the British. Great Britain in 1929-30 had 130 persons with incomes of \$500,000 and upward. Their average income was \$930,000. We had 1,471 in this group in 1929, with an average income of \$1,250,000. The total net income of the 1,471 was \$1,848,585,793, on which they paid a tax of about 16 per cent, or \$291,337,965. If they had been assessed at the British rates then effective, they would have paid a tax of about 48 per cent, or approximately \$900,000,000.

OVEREXPANDED INDUSTRIES

One of the main arguments by which Congress on three occasions was led to reduce the surtax rates was that urgently needed money would thereby be released for the expansion of industry. From this expansion, it was said, would flow great and widely distributed benefits. If this argument ever had any validity—which is seriously to be doubted—it surely has none now. Industry to-day is tremendously overexpanded—that is its great trouble and the country's trouble. Proponents of low surtaxes have been forced to fall back on their second line of defense, the contentions that high rates (1) drive wealth into hiding and (2) are ultimately passed on to the whole people. We shall hear all the changes rung on these arguments in the coming debates.

The second item in the Progressive program calls for a sharp increase in the estate tax, and the third, a necessary accompaniment of this increase in order to prevent evasions, calls for restoration of the gift tax, which Secretary Mellon was successful in having repealed in 1926. The present estate tax runs from a minimum of 1 per cent to a maximum of 20, which is effective on amounts over \$10,000,000. There is an exemption of \$100,000 before the tax begins to apply, and a credit up to 80 per cent of the Federal tax is allowed on account of inheritance levies paid to the States. Prior to the estate tax act of 1926 the maximum rate was 40 per cent and the credit allowed for payments to the States was only 25 per cent.

TAX ON ESTATES

Secretary Mellon has been a constant advocate of complete repeal of the estate tax. In this position he had the warm support of President Coolidge, who argued that the field of estate taxation was one that belonged peculiarly to the States. Coolidge also said that the Government should not "seek social legislation in the guise of taxation"; that if we were going to adopt "socialism" we ought to present the issue to the people "as socialism and not under the guise of a law to collect revenue." Apparently in this philosophy it is sound enough policy for the States to adopt socialism but unwise and dangerous for the Federal Government to do it.

Secretary Mellon is strongly against the use of the estate tax as a social weapon. He says that "the social necessity of breaking up large fortunes in this country does not exist"; that "in a few generations any single large fortune is split into many moderate inheritances."

As to that, let us see. Here are some statistics read into the CONGRESSIONAL RECORD when the estate tax was under debate in 1926. John D. Rockefeller has given to his children \$2,000,000,000. He has in his own right (1924) \$500,000,000, and John D., Jr., has an income of \$40,000,000 a year. Bear in mind that this was several years ago; the fortunes named have materially increased since then. The Pratt fortune, of Standard Oil origin, grew from \$10,000,000 to over \$300,000,000 in 30 years. The Harkness fortune, also from Standard Oil, was less than \$50,000,000 when Stephen V. Harkness died. It has become more than \$400,000,000. Meyer Guggenheim died in 1905, leaving \$50,000,000. He had nine children. His estate increased in 20 years to a sum sufficient, if divided, to give each of the children more than the original whole. The fortune of Alexius du Pont was \$40,000,000. It was estimated in 1926 that the 40 descendants in the fourth and fifth generations were each worth more than that.

TWO INTERESTING DEATH TAXES

Again the argument is made that the estate tax constitutes a levy on capital. The reply to this is that even a fairly heavy tax can be liquidated through annual payments from the income of the estate if sufficient time is allowed. The estate of Harry Payne Whitney furnishes an illuminating case in point. Valued at \$186,579,746 at the time of his death in 1927, it paid death taxes to the Federal Government and the States of \$22,179,274, or 12 per cent of the value of the estate. Between 1927 and 1929 the estate increased in value by \$52,721,270, or nearly two and a half times the amount of the death duties.

Secretary Mellon says that wealth is invested in tax-exempt securities as a means of escaping taxation; he asks for a constitutional amendment to close this loophole. If he is genuinely anxious to get at investments in tax-free securities, he can do so through a weapon immediately available, the estate tax. It is the only such weapon.

It is said that the estate tax should be left to the States. The reply is that the only authority which can levy the tax without discrimination is the Federal Government.

VIEWES OF RICH MEN

Proponents of the estate tax urge it frankly as a social weapon as well as a revenue producer. In a message to Congress in 1906, Roosevelt advocated heavy death duties, with the primary object of putting "a constantly increasing burden on the inheritance of those swollen fortunes which it is certainly of no benefit to this country to perpetuate." Andrew Carnegie wrote in his Gospel of Wealth: "Of all forms of taxation, this seems the wisest. It is difficult to set bounds to the share of a rich man's estate which should go at his death to the public through the agency of

the State." Prof. Thomas S. Adams, of Yale, says that "we should raise from this source enough revenue to measurably relieve the farmers and the general taxpayers," and Prof. Seligman, of Columbia, observes that "wherever we have democracy we have two things—an income tax and an inheritance tax."

The case for the gift tax is adequately summed up by Senator COUZENS when he says: "There is no logic in an estate tax when a man, through gifts in his lifetime, can evade the tax. The gift tax would enable us to collect on transfers of property whether they were made before or after the giver's death."

VI.—Our general depression is homemade, and it is due fundamentally to the maldistribution of wealth

There is now to be considered the general depression in the United States, to which the plight of the Government is due.

Let us note some of the stages in our slow and painful progress, as a people, toward a realistic appraisal of the facts. As long ago as 1928, in the very midst of the boom times, when Coolidge was still President and John J. Raskob was telling us that all we needed to do in order to get rich was to put our money in investment trusts, a few men raised their voices in warning.

There was, for conspicuous example, the Very Rev. William R. Inge, the "gloomy dean," of St. Paul's, London, who wrote in his notable contribution to the fiftieth-anniversary edition of the Post-Dispatch, in December, 1928: "Already, I believe, there are signs that the law of diminishing returns is beginning to operate, and production is only maintained at full speed by frantic advertising. The advantages already won by the American worker, such as his cheap car, his radio, and his bathroom, are solid and permanent; but the limits of 'consumptionism'—an ugly word for which I am not responsible—are probably not far off."

CHORUS OF REASSURANCES

The small minority who dared preach this heresy were prophets without honor in the United States. Were not President Coolidge and Secretary Mellon assuring us that we had come permanently into a new and shining era? Was it not proclaimed by the Schwabs, the Insulls, and others that anybody who "sold America short" would be punished for his sins? The twin bubbles of industrial overexpansion and of stock-market speculation continued to grow. When the market bubble burst in the fall of 1929 the prophets of continuing prosperity said the collapse was merely a chastening episode in an orgy of gambling. There was no connection, they said, between the break and the condition of the Nation's business. From the mimeograph machines of the administration came a flood of statements, for months on end, that American industry was fundamentally sound.

When it became evident to the least observant that something, after all, was wrong with industry—when the buying not only of jewelry and furs by the speculators but of shoes and groceries by the rest of the people began to fall off, and men were seen walking the streets in search of work—when these things happened, the tune was changed. It was admitted that depression had come to America, but this unhappy condition, it was said, was due to worldwide forces over which we had no control. That the industrial captains of the United States could be at fault was unthinkable. That we as a people could be at fault was even more unthinkable. We are caught, said the publicists, official and otherwise, in a net not of our own making. Along with this easy diagnosis ran another—that the depression was largely psychological. Advertisements were inserted in the newspapers by various business organizations exhorting the people to resume buying and promising that if they did this prosperity would soon come back.

FINDING OUT THE TRUE REASONS

Above a din compounded of facile explanations, of depression blues, and of happiness choruses led by the Raskobs and the Dr. Julius Kleins, certain clear voices of economists and of some of the more thoughtful industrial and political leaders began, in the spring of 1931, to make themselves heard. Dissenting from the carefully propagandized theory of world-wide responsibility for the American depression, these men brought a new note of realism and sincerity into the discussion.

Dean Donham, of Harvard, for one, said in an interview published in the Post-Dispatch in May that our economic troubles had been intensified, but not caused, by the world depression. He said that our recovery was not necessarily dependent upon world recovery. Taking issue with the theory that we should seek a vast expansion of our export trade, Dean Donham said the better course was to build up purchasing power at home. He pointed out that our export trade was less than 10 per cent of our total production; this indicated to him that the domestic market always had been our principal consumer and that we should look to it rather than to foreign markets for future expansion.

The views of the Harvard dean were echoed presently, in another Post-Dispatch interview, by Senator COUZENS of Michigan. "Our depression," he said, "would have come whether there was a world depression or not. Why? Because for a long period before the crash our production had been outrunning our consumption. The workers were producing more than they could buy with the wages they received. Our predicament is primarily due to the inequitable distribution of the earnings of industry as between capital and labor. I have not seen a single denial of that statement—even by the bankers who are urging wage reductions."

HOME MARKET EXCELS FOREIGN

"Dean Donham," added the millionaire Senator, "is everlastingly right. We've gone crazy on the subject of exports. . . . Our manufacturers have the best market in the world right at

their doors, providing they pay their workers sufficient wages to buy what the workers produce."

Other distinguished experts could be called to the stand in support of this diagnosis, but only one more need be heard. This is President Hoover. We turn to his speech to the editors at Indianapolis last June. He was arguing, it is true, that world influences accounted in large degree for our depression, but on the subject of the part played by the decline of our exports this is what he said:

"Our average annual production of movable goods before the depression was about \$50,000,000,000. We exported yearly about five billions, or 10 per cent. The world disruption has temporarily reduced our exports to about three and one-half billions. In other words, the shrinkage of foreign trade by one and one-half billions amounts to only 2 or 3 per cent of our total productivity. Yet as a result of all the adverse forces our production has been reduced by, roughly, ten or twelve billions. This sharp contrast between a national shrinkage of, say, twelve billions, and a loss of one and one-half billions from export trade is an indication of the disarrangement of our own internal production and consumption entirely apart from that resulting from decreased sales abroad."

And in the same speech the President said, in opposing a large bond issue for new public works, that "the remedy for economic depression is not waste, but the creation and distribution of wealth."

(Italic letters are the writer's.)

"HALF STARVED, HALF GORGED"

It is not intended here to minimize the importance of foreign trade in our national economy. A healthy volume of exports is greatly to be desired; to some businesses, it represents the margin between profit and loss. The point is simply that the shrinkage we have experienced in a trade which consumes, at best, less than 10 per cent of our total annual production is only one factor, and a very small factor, in our depression.

We have reached, at last, a stage in our national thinking in which it is being more and more widely understood, and more and more generally proclaimed by thoughtful leaders of opinion, that our present depression is primarily of our own making, and that the underlying cause is the maldistribution of wealth. In terms less pungent but meaning the same thing, an ever-increasing number of upholders of the capitalistic order, men of the type of Senator COUZENS and Daniel Willard and the others quoted in the introduction to this article, are saying, with the picturesque Governor Murray, of Oklahoma, that "just as a nation could not live half free and half slave, so this republic can not continue half starved and half gorged."

MIDDLE GROUND BECKONS

Looking abroad, these inquiring minds see two significant national experiments. They see Soviet Russia slowly retreating from its originally declared policy of pure communism; they see England (notwithstanding the apparent check given the movement by the last elections) going steadily and with seemingly fixed intention away from unrestricted capitalism. They see both these nations seeking a tenable middle ground, and they are asking whether the United States, in order to prevent a swing to the left, should not consciously turn its face toward the middle.

Men who are not afraid to question the wisdom of unrestricted capitalism—which is practically what we have to-day—are the real conservators of our institutions. The real threat to them comes not from the handful of communists in our midst but from the conservative extremists who are not willing to yield an inch. There is vastly more danger to the established order from the economic reactionaries in Congress than there is from the so-called radicals.

WHY MILLIONS CAN NOT BUY

After the admission that our depression was homemade, it became fashionable to attribute it to "overproduction," and that word, together with "underconsumption," still runs through public discussion of the problem. Both these words express only part of the truth—they do not go to the root cause of our troubles. That cause can only be found in the distribution of the national wealth, in a system, or lack of system, which permits—to cite but one glaring result—36 persons in the United States to receive an annual income averaging nearly \$10,000,000 each, or, in the aggregate, a greater income, after all the deductions allowed by law, than the sum of the wages paid to the 428,000 persons employed in the manufacture of cotton goods.

Under this system only 2 per cent of the people have incomes large enough to interest the Federal tax collector. The other 98 per cent, obviously, have little or no share in the country's prosperity. Gov. Harry Woodring, of Kansas, in a Fourth of July speech, called the depression a "panic of plenty," and that is precisely what it is. There is plenty of everything in the country. The trouble is that the millions of unemployed and underemployed lack the means to buy what they could use—lack, in many thousands of cases, the means of decent subsistence. This is the reason for "underconsumption."

VII.—How the machine has accelerated the growth of this economic disease

Some of the writers in the fiftieth-anniversary edition of the Post-Dispatch said the machine age, with its wholesale displacement of workers, did not really begin until 1920. Why, then, did not large-scale unemployment begin at the same time? The answer is, first, that large numbers of workers were absorbed by new industries, such as those connected with radio transmission and

receiving sets; and, second, that the sales and advertising divisions of industry were enormously expanded. Coincident with the latter development was the introduction on a huge scale of personal-credit and time-payment sales plans. Dean Inge's reference to our "frantic advertising" has been noted. This frantic campaign, plus time payments, enabled the producers to dispose of the output of their machines far longer than would otherwise have been possible.

WHAT STOPPED SALES SPREE

Sales would be booming to-day if the credit manager, an obscure fellow usually stuck off in a dark corner of the great offices, had not made himself heard. One day, when the sales manager came in with John Doe's paper for a new automobile, a new electric ice-box, a new radio, or a new Heaven-knows-what, the credit manager rebelled. "I can't take any more of John Doe's paper," he said. "I have a bale of it now, and he is behind on interest and principal." This went on all over the country. It helped to bring about the collapse of the installment business, which, of course, was soon followed by the breakdown of jobbing and manufacturing.

Whether in the cosmic view of things the machine is a blessing to mankind or a curse is a question for the philosopher. It need not detain us here. For the machine, whatever we may think of it, is with us to stay, and our problem is so to readjust its effects as to minimize its evils and equitably distribute its benefits.

The maldistribution of wealth is the fundamental cause of our economic sickness. If we liken society to a tree, we may say that disease has attacked the roots, causing the tree to give off instead of the luxuriant foliage of which it is capable the withered leaves of unemployment. The progress of this disease, this concentration of vast wealth in a few hands, has been greatly accelerated in the last 10 years by the machine.

REAL BENEFICIARIES OF MACHINES

The true function of the machine is to spread leisure, which is the highest expression of wealth, through the whole mass of society. From this use it has been increasingly perverted. Wealth has grown amazingly, and with it has grown the possibility of the "good life"—leisure with the means to enjoy it—for an ever-widening circle of workers. The measure by which we have fallen short of this ideal is the measure of the failure of capitalism as now organized. How far short we have fallen the stark figures testify. The wealth created by the machine has gone in appalling disproportion to the owners of the machine. To the millions of manual workers displaced by the machine it has given not leisure with the means to enjoy it but the evil twin of leisure, which is idleness. The perversion of the machine from its proper use has brought about our present condition of unemployment.

CAPITAL AS GRAVEDIGGER

Realization of the close relation between unemployment and "purchasing power" has been forced upon the owners of the machine. They see a vicious circle nearing completion. They see the products of the machine, which heretofore have spelled ever-increasing wealth, beginning to appear in part as dross. For no product of the machine has any real value until it is put to use. It can not be put to use until somebody buys it, and the number of buyers has been progressively decreased by the growth of unemployment. Just as profits increased during an earlier stage of the circle, so now they decrease.

What is the remedy? How are we to prevent the fulfillment of Marx's prophecy, in the communist manifesto of 1848, that capitalism in the end will provide "its own gravediggers"? In the opinion of many thoughtful observers, there is only one possible answer: Human greed must curb itself or be curbed. There must be shorter work hours, so that all who need work may find it, and this change must be effected not at the expense of wages but, as Senator COUZENS and others have bluntly said, at the expense of profits. It is not merely the wage scale that must be kept up but the amount of wages that a worker receives over the course of a year. This is only another way of saying that what we need, fundamentally, is a broader distribution of the profits of industry.

Let us take for illustration the case of a pioneer farmer with four sons. They worked every available minute to make a living for the family and a modest surplus against misfortune. When the first machine came in, enabling the father to carry on with two sons, he did not turn the other two adrift. Father and sons all worked shorter hours and all enjoyed the virtues of the machine and escaped its evils. This is precisely what is being proposed to industry to-day by the advocates of shorter work hours. The owners of the machine are being asked to share more of its benefits with the workers. Theoretically, if the present ratio of distribution of benefits is continued, the owners will find themselves, in the final stage of the machine's evolution, with great plants on their hands and nobody to buy their products. The masses of the people, through the operation of unemployment, will have starved to death. With no "purchasing power" to give value to the machines, they will be no better than junk, and the owners will have to start grubbing a living out of the land. Capitalism will then have provided its own gravediggers.

WHEN WAGES LAGGED

It is sometimes argued that labor has nothing to complain of, since labor in the flush days before the depression was highly rewarded. However large was the proportion of profits taken by capital, runs this contention, labor also got a full share of benefits. Therefore, it is said, labor can have no just grievance now if its wages are cut. This is the typical banking argument for the reduction of wages.

There has been no better answer to this specious line of reasoning than that given by Senator COUZENS in the interview to which we have referred. "Notwithstanding the general assumption that wages were high," he said, "all available statistics show that during the years preceding the depression the increase in productivity per man was greater than the increase in wages. In other words, although the worker got more money, he produced still more goods. Somebody got the difference, and we all know who it was. The strange thing is that the fellows who got it couldn't see that they were spoiling their own game."

SOME COMPARATIVE FIGURES

There are, as Senator COUZENS says, ample figures to prove his point. William Green, president of the American Federation of Labor, gave some of them in a speech before the Progressive conference in Washington last spring. Between 1919 and 1929, he showed, the productivity of industry in the United States increased 50 per cent, while real wages paid the workers increased only 27.5 per cent. He challenged any economist to tell him how the country could continue on that ratio and still consume the products of industry.

He gave some other illuminating statistics. In 1899 the value of goods produced in the United States was \$11,406,927,000. The wage bill was \$2,808,361,000. Labor, that is, got 17.5 per cent of the value of the goods produced. In 1929, this value rose to \$69,417,516,000 and the amount paid in wages rose to \$11,421,631,000. The percentage of wages to the value of goods was 16.5, or less than it was in 1899.

VIII.—The wages of capital and the wages of labor—The balance between consumption and production can only be restored at the expense of dividends.

If the views of all those discussing the subject are distilled we find that they are in agreement as to the condition prevailing in the country to-day—relative overproduction and lack of purchasing power. This situation may be more accurately stated as the maldistribution of wealth, the primary cause of which is the disproportion between the wages of capital and the wages of labor. As this disproportion grows, it tends to aggravate overproduction, for the gains of capital are constantly being thrown into new industry and business in order to produce more capital. Thus the bubble of overexpanded industry is blown up till it breaks. From whatever angle we approach the problem we are led inevitably to the conclusion that we can not hope to prevent the recurring crises in the business "cycle" unless we are willing to attack the basic cause of the trouble. Any cure which does not probe to the bottom can have but temporary value.

THE "CUT" OF CAPITAL

At the risk of repetition, the problem may be restated in terms of the labor hour. This is the foundation on which rests the creation of wealth. A man is able in a work day to create wealth equivalent to his necessities for subsistence and something over. The employer gets together a number of laborers and receives all or part of this surplus for himself. His income is in proportion to the number of human-labor hours which he controls and out of which he makes his profit. If the employer installs a machine which enables 1 man to produce in 8 hours, let us say, the equivalent of 80 human-labor hours, then the employer is in the same position with respect to income as if he had 10 men instead of 1 working for him.

Now, the vital difference between the wages of capital and the wages of labor is this: The labor hour once expended is non-existent, but the product of the labor hour turned over to the employer and by him exchanged for capital goes on working forever. That is, the workman's labor hour does its share in supporting his life for a day and then expires. The employer takes his profits and invests them, and thereafter for the rest of his life and the lives of his heirs and assigns forever these profits are capable of working and producing more profits for whoever controls them.

Of course it will be objected that this is too simple a statement of the case, but fundamentally it tells the story. It will be objected, for one thing, that the laborer by thrift and industry can save money and graduate into the capitalist class. This is true, but only to a very small degree. And if everybody could become rich and retire to live on his profits, the whole capitalistic structure would collapse when the last worker laid down his tools. Why is this? Because, as stated, only labor can create wealth, and enough labor must be in operation all the time to create the wealth—the goods—needed by all the people.

PRODUCTION AND CONSUMPTION

Dropping fancies and considering only prospective realities, we see that a balance must be maintained between production and consumption. This, again, is a point on which all the debaters are in agreement. At this time production exceeds consumption. Obviously, balance can be reestablished or approximated, since there are only two factors in the problem, by subtracting from one and adding to the other. In practice, consumption or purchasing power must be maintained on the level of production, which latter can be controlled and stabilized by a progressive decrease in the number of labor hours as invention and improvements increase the output per labor hour. But this remedy will be effective to maintain purchasing power on a level with production only if wages are kept on a level that will give the worker, per year, a sufficient income for his reasonable needs. And this, as we have shown, can only be done at the expense of dividends.

IX.—The issue is drawn between labor and capital—Solution of the problem rests primarily with industry and not with the Government

Within the last few weeks the issue has been clearly drawn between labor and capital. We see it crystallized in two statements—that of the American Federation of Labor at its Vancouver convention and that of a special committee of the Chamber of Commerce of the United States.

In demanding the 5-day week in industry, the federation adopts the slogan of "work for all." Through its spokesman, President Green, it says: "Labor will no longer subscribe to the doctrine that work and relief must be conferred; it now holds that *the right to work is fundamental* and is as sacred as the right to enjoy freedom, life, liberty, and happiness." (Italic letters are the writer's.)

This is radically new doctrine. In our Constitution, grounded as it is in property rights, nothing is said of the right to work; to the contrary, there are the fifth and fourteenth amendments, construed by the Supreme Court to cover a wide area, with their inhibitions against the taking of private property save by "due process of law." The question therefore arises: Can the Government under the Constitution compel private industry, through the 5-day week, to reduce its share of the benefits of the machine?

WORK DAYS AND CONSTITUTION

It has been held in numerous cases that efforts of State regulatory commissions to fix a lower return for public utilities than a "fair" return as defined by the courts were attempts at "confiscation." If the 5-day week means anything, it means the 5-day week without a cutting of the weekly wage. The American Federation does not say this, but it is implicit in the demand for shorter work hours. Anything else would be a mere palliative; it would not restore the balance between production and purchasing power that we have seen to be essential. This balance can only be restored and maintained at the expense of the profits of capital. Hence the 5-day week, with its necessary concomitant in lower profits, would be an apparent invasion of property rights; in the meaning of the law it would be "confiscatory," and the courts, bound by the rules laid down by the Constitution, in all probability, would so hold.

It may be contended that the Supreme Court's favorable decision on the Adamson Act of 1916, which gave the 8-hour day to railroad workers, warrants a different conclusion. But it must be remembered that the railroads are not on the same footing as industry in general. The business of the railroads, as the court has repeatedly said, is charged with a public interest and the right of Congress to regulate them under the interstate commerce clause of the Constitution is beyond dispute. The Adamson law was rushed through Congress to meet the threat of a general railroad strike; and while it fixed the 8-hour day standard permanently, it fixed wages only for a limited term of months, to bridge the gap until the contending parties could arrive at a wage standard of their own.

WAGES PRIVATE MATTER

The court held that the power of Congress to establish an 8-hour day on the railroads did not beget the power to fix wages. "The right to fix by agreement between the carrier and its employees a standard of wages to control their relations," said the court, "is primarily private." Notwithstanding the narrow application of the law, 4 of the 9 Justices of the Supreme Court—Day, Pitney, Van Devanter, and McReynolds, the latter 2 of whom are still on the bench—dissented from the majority finding on the ground that the act was an unconstitutional invasion of property rights.

Whether we like it or not, the conclusion must be that through no orderly political process short of amendment of the Constitution can we reasonably expect the Government to effect redistribution of wealth through the device of shorter work hours at a maintained wage.

The problem of restoring the balance between production and purchasing power is primarily the problem of industry itself. Our Government, as we shall show, can not be absolved of responsibility; there is, indeed, a heavy burden of responsibility upon it; but it rests with industry to do the things most needful to be done if the disease at the root of the tree is to be cured. Will industry act to save itself? Will it curb the thirst for more profits that in the final analysis is the cause of our depression?

"The business leaders of the country," says Senator COUZENS, "have the ability to solve the problems of the depression. The trouble is that they personally have not been hurt. True, their profits have fallen off, but they are living just as comfortably as they were. Let them face actual deprivation of the sort that the workers are undergoing, and they would put their heads together and pull the country out of this slump. Dan Willard told the truth when he said that what they lack is the will to do."

At least, to a very large degree, industry could "adjust production to consumption" without Government intervention or any central planning board, if it were so disposed. The control of the situation is in a remarkably few hands. As shown in a recent article in the American Economic Review, 200 corporations with fewer than 2,000 directors control 35 to 45 per cent of the business wealth of the United States (excluding from business wealth that of the Government, agriculture, and the professions), and these corporations are growing three times as fast as 300,000 smaller corporations.

WHAT INDUSTRY MIGHT DO

Great industrial organizations could do what the crossroads merchant does—provide seasonally for the demand which experience has told him is to be expected. Instead, industry has followed the policy of steaming up production to the highest possible speed and then telling the sales manager to go out and sell the stuff. As we have seen, the great business peak of 1929 was made possible, in part, by the new market created by time payments and "frantic" advertising, and the collapse came when even that rich new market became quickly oversupplied. What has kept industry from putting on the brakes is, of course, the desire for larger and larger dividends.

Parenthetically, an interesting contrast between industrial conditions here and in France may be noted. The United States lives on the future and France on the past. That is to say, American industry is so overexpanded that it exists largely upon sales which can only be paid for out of the future earnings of the mass of the people.

French industry does business largely on a cash basis. The French pay for what they buy to-day with the savings of yesterday, and, as Mark Seguin, French consul in St. Louis, said recently in a radio speech, French industry never expands in anticipation of increased demand nor does it do much to stimulate demand. It follows the conservative policy of meeting current demand and really prefers that demand should exceed supply.

MODIFIED FASCISM

In contrast with labor's manifesto are such proposals as those of the chamber of commerce and Gerard Swope, both of which look to a kind of fascism. Schemes of this sort would set up a business dictatorship with the Government as a benevolent overlord. They would require the scrapping of the antitrust laws, which are designed to protect the people against extortion, and the substitution of laws designed primarily to protect business from slumps. The welfare of the people, in this new philosophy, would be subordinated to the welfare of business. Mergers and combinations, on a scale ever more grandiose, would be the fount from which all blessings would flow. If this, as some say, is the destined next development of the machine age, it is well that we should recognize it frankly for what it is—the negation of our boasted individualism—and not let ourselves be taken in by the delusive terminology of the big-business propagandists. We should see that what is proposed is the Soviet Russian system, except that the profits which there go to the state would here be in the hands of private business.

In none of the "stabilization" plans put forward by business is it conceded that the "right to work," as asserted by labor, is fundamental and sacred. The chamber of commerce, it is true, urges that work be "rotated" during the present emergency in order that employment may be spread among "the largest possible number of employees in accordance with their needs." But this falls a long way short of accepting labor's thesis. It is, in fact, a restatement of the doctrine of "conferred work and relief" to which labor specifically objects.

X.—But there are certain important things the Government can do—a possible program covering taxation, the tariff (with a note on the plight of the farmer), the public utilities, the 5-day week for Federal employees, prohibition, our part in world affairs.

We come now to the important question of what the Government, within the framework of the Constitution, can do toward ending our "panic of plenty" and preventing the recurrence of similar conditions in the future. What is the answer to the unthinking who cry out, at the appearance of each new symptom of a basic economic disorder, "Let the Government act"?

The question is not what might be done under a dictatorship, either of the proletariat as in Russia or a fascism as in Italy, but what can be done now, or in the not astronomical future, in the United States. Even the experience of Great Britain, in its groping for a tenable middle ground between communism and unregulated capitalism, provides but a partial analogy. For the British governmental system, in contrast with the rigidity imposed by our Constitution (the "rat-trap rigidity," as Winston Churchill has called it), is highly flexible. The British Government can move quickly through orders in council, and new public questions, arising unexpectedly, can be submitted to the people and decided by them at the polls within a few weeks. British political leaders, moreover, appear to have moved farther than ours toward acceptance of the view that politics is "concentrated economics." They are willing to make temporary changes, as in the matter of the tariff, to meet emergencies, whereas American politicians tend to be hidebound in devotion to historic concepts of national policy.

SOURCES OF GREAT WEALTH

It may be laid down as fundamental, before we proceed to an examination of specific remedies, that in the United States there are four great sources of wealth and income whose relation to the general public differs from that of other sources. These are: (1) Natural resources, such as oil, minerals, and water power; (2) transportation—the railroads; (3) other public utilities; (4) tariff-protected manufactures. There is here, of course, a certain degree of overlapping, but roughly the classification will stand. The reason why these sources of wealth differ from the others is that the Government, in one way or another, intervenes in their affairs. It is possible within the space limits of this discussion to state only briefly the nature of this intervention. The Government permits (1) the exploitation for private gain of resources

that belong naturally to the whole people; it undertakes, (2) and (3), to assure a "fair" rate of return not only upon actual money investment but also upon values donated (as in the case of land grants to the railroads) or created by the people; and to certain manufacturers (4) it grants a tariff far in excess of any rates conceivably needed for "protection"; this tariff is a subsidy which the public pays for the benefits of a favored few.

Now, if these four sources yield a considerable proportion of the income of the country—as they do—it follows that the withdrawal of Government intervention on their behalf, or its modification or employment in a different direction, would affect the distribution of wealth favorably to the general public.

We are confronted with an enormous paradox. The spectacle of the Government intervening with its antitrust laws (which it is now being besought to modify or repeal) for the protection of the many against a predatory few, and, on the other hand, intervening with the high tariff laws for the benefit of a few at the expense of the many.

THE SIMPLE SOMETIMES COMPLEX

Obviously, then, there are measures by which the Government, notwithstanding its constitutional limitations, can materially influence the flow of wealth. And by this we do not mean the picayunish things that are sometimes urged upon it as cure-alls by those who mistake the symptoms for the disease or confuse the Government's depression with the general depression or merely feel that the Government "ought to do something." If the administration cuts expenses, there may be a bad effect upon business and individuals. If it buys less paper, for example, the paper industry is hurt; and if it lays off clerks, unemployment is increased, individuals suffer, and business generally is adversely affected through the resultant decrease of "purchasing power." Things of this sort are merely robbing Peter to pay Paul.

We have recently seen the quandary in which the Interstate Commerce Commission found itself when the railroads asked for a general 15 per cent freight rate increase. The commission desired to help the railroads out of their undoubtedly serious predicament, but it could only do so, as soon became evident from its hearings, at the expense of other industries, especially agriculture, which is even worse off than the railroads.

Again, it has been proposed that the Government engage in a great public-works building program, at a cost of three to five billion dollars, in order to aid general industry and provide employment. Economists are divided on this proposal. Some of them, including men of distinction in their field, believe that such a program would be appreciably helpful in lifting us out of the depression. But it would be at best a palliative, and it would immediately increase the operating costs of the Government, the excess of which over its income is the cause of what we have called the Government's depression.

FIRST, THE TAX LAW

What remedial measures of permanent value are open to the Government?

First. As already has been pointed out, the Government could help to check the drift of wealth into a few hands and at the same time obtain needed revenue for itself by imposing heavy surtaxes on great fortunes, increasing death duties, and reinstalling the gift tax. It could tax swollen individual incomes to such a point as almost to remove the incentive for piling up vast personal fortunes, a condition which has been approximated in the Scandinavian countries.

Second. It could reduce the tariff to schedules sufficiently only to protect American business and American jobs from immediate destructive competition. The classic argument of the protectionists is that a high tariff is necessary to the maintenance of high wages. This is untrue. Wages are high in the United States as compared with Europe not because of our tariff wall but because of the greater productivity of American labor, our superior manufacturing technique, and our vastly greater natural resources. Reduction in the tariff would be reflected in lower prices to the consumer. It would be of particular benefit to the farmer, part of whose plight is due to the fact that he must buy in a protected and sell, by reason of the nature of his product, in an unprotected market. The resultant disparity in prices has long been an important factor in his depression. Reduction in the tariff would operate against the concentration of wealth, which has brought about the present overexpansion of industry and its consequent stagnation.

HELP FROM LOWER TARIFFS

Lowering of the tariff would hurt only a minute fraction of the people, and they would be hurt only to the extent of their excess profits above a reasonable return on investment. According to the estimate of the late Joseph S. McCoy, actuary of the Treasury, there are only about 3,300,000 individual stockholders in the United States, and the Post-Dispatch has shown (in an article October 13, 1929) that not more than one-tenth of these are in tariff-protected corporations. They are the only persons who would suffer any direct loss from a downward revision of the tariff to a reasonable basis. Since the enactment of the Hawley-Smoot bill—enacted by Congress and signed by the President in plain violation of the President's call for a sharply "limited" revision—the reprisals of foreign nations have added new weight to the demand for lower duties. No one can doubt that the Hawley-Smoot law (which Senator Watson, of Indiana, said would bring back prosperity in 30 days) has played a leading part in the strangulation of world trade and in driving Great Britain to reconsider its historic free-trade policy.

Not only the congenital advocates of low schedules but powerful leaders in big business, including Thomas W. Lamont, a partner in J. P. Morgan & Co., are demanding a revision. A characteristic view is that of Dr. B. M. Anderson, economist, in a bulletin issued by the Chase National Bank of New York. "American labor," he says, "has nothing to fear and everything to gain, by and large, from a lowering of the tariffs in the United States. I propose such a reduction as will avoid a further drift of population from country to city, and further abandonment of farms. I propose a reduction not in the interest of readjustment and change, but in the interest of stability."

WHY FARMERS WOULD BENEFIT

Since the tariff bears so intimately upon the farm problem, this is as good a place as any to mention the particular depression of agriculture. There is space for only a bare outline of that tragic story. The farmer has had depression with him for a decade. In that time his land values have shrunk from \$66,000,000,000 to \$48,000,000,000, his income has declined from \$12,000,000,000 to \$9,500,000,000, and his taxes have increased 172 per cent. In the five years from 1926 to 1930, inclusive, 682,850 farms, or more than one-tenth of the number in the United States, were lost to their owners through forced sales. The economic distress of the farmer is closely bound up with the general condition of the country. The chamber of commerce is within conservative bounds when it says: "This country can not be permanently prosperous until it has a reasonably prosperous agricultural population. Ten million workers and 30,000,000 people are dependent upon the farm for their support. A large proportion, perhaps the majority, are receiving meager return for long and arduous labor."

PUBLIC UTILITIES

Coming back to the matter of specific weapons which the Government has power to invoke against the increasing concentration of wealth, we reach, third, the privately owned public utilities. "Judicial orders and decrees," as Samuel Untermyer has said, have placed a deadly handicap on the regulation of public utilities by State commissions. If these utilities were publicly owned, the advocates of that policy argue, huge sums in profits would be diverted from the few hands into which they have been made to flow through the device of the holding companies. Profits could be distributed to the public through reduction in rates, or decreased taxes.

Congress has twice proposed Government operation of the Muscle Shoals power plant, only to have its action meet two presidential vetoes.

Doctor Coffman, president of the University of Minnesota, has said that "the chief weakness of a democratic people is its unwillingness or its inability to set up remote goals and to strive to attain them." If it wishes, the Government can set up the goal, remote or otherwise, of complete Government ownership of the railroads. The Government could take over the railroads with the proceeds of a long-term bond issue, cut out the waste and duplication in the present service, and charge rates sufficient to pay whatever net revenue on the investment it might decide upon. It is for the people, through their representatives, to say whether this shall be done.

SHORTER-WEEK POSSIBILITIES

Fourth. The Government could make itself a model employer by establishing the 5-day week for Federal employees without change of pay. Just as the Adamson law became a great weapon of persuasion in the hands of organized labor, so this reduction of working hours without reduction of pay by the Federal Government would have a progressive influence in private industry. Bills for the 5-day week in the Federal service will be introduced in the coming session of Congress.

Fifth. The Government could repeal prohibition. It is unnecessary here to review the arguments for and against prohibition. Repeal would increase the revenue of the Government, decrease its expenses, and aid general business and employment to some extent. In a business way, the principal, if not the sole, sufferer from repeal would be the bootleg traffic.

LEAGUE OF NATIONS

Sixth. The Government could promote international stability, and thereby contribute to the improvement of general conditions at home, by joining the League of Nations. Former Premier Baldwin, of Great Britain, with the guarded speech which marks the public utterances of British statesmen on the subject, said at a great peace meeting in London last summer: "It is not for us to cajole or advise the United States to get into the League of Nations, yet I tell you that every international problem since the Versailles treaty has been made imponderably more difficult because of the absence of the United States from the league."

We have seen what are the costs of war to the American people. The expenditures of the other great nations are on a similar or larger scale. As President Hoover recently told the International Chamber of Commerce, five and a half million men are actively under arms in the world to-day and 20,000,000 more are in reserve. The world is spending on armaments the colossal sum of \$5,000,000,000 annually. Some progress has been made toward decrease in naval disarmament since the war, but not much.

PROSPECTS OF DISARMAMENT

There is to be held at Geneva next February, under the auspices of the League of Nations, the first general disarmament conference. It will deal with the land, sea, and air armaments of all the nations. The alternative to the success of this fateful conference, Viscount Cecil has said "is too sinister for any man or woman of good sense

and good will to contemplate." In the view of official Washington, the outlook for success is not bright. Can anyone doubt that it would be immeasurably better if the United States were in the league and not out of it?

France demands additional treaty "security" before she will consent to any material reduction in her armament. This we have declined to grant. We have even refused to enter into a mild pact calling for "consultation" if war threatens in the Atlantic. France's demand is the great stumbling block in the way of success at Geneva. There is ground for her thesis. We may feel that ours is the better one—that security will follow reduction of armament—but we have got to admit the logic in the French position. There would be no logic in it if we were a member of the league.

If the United States, richest and strongest of the nations, were in the league, article 16 of the covenant—the sanctions article—would mean something. As it is the article has small virtue, perhaps none. Certainly the members of the league will hesitate to coerce a covenant-breaking state so long as the United States remains on the outside. This was plainly shown in a memorandum of the British Government in 1925, in which it was stated that any effort to enforce sanctions would put upon Britain the responsibility of cutting maritime communications between the offending nation and the United States. In view of the historic American doctrine of the freedom of the seas this course would involve a risk of conflict with the United States which the British Government, said its memorandum, did not care to assume.

BOUND TO BE INVOLVED

The international police club placed in the covenant by article 16 was in effect taken out of it when the United States refused to join the league. But the chances of our being drawn into war have not been reduced. We have a finger in every big financial pie in the world, and because of this fact we stand alert at the drumbeats of war in any region.

We seek to use the league, as in the present Manchurian crisis, when it suits our convenience to do so. Should we not, then, accept a share of its responsibilities? One thing is certain: If another world cataclysm comes, our aloofness from the league will not make us immune. Everything else aside, our purse strings have tied us, even more inescapably than in 1917, to the rest of the world. The war changed us from a debtor to a creditor Nation. Our stake abroad has gone up by great leaps; at the end of 1930 it stood at \$17,500,000,000, exclusive of the war debts. Enlightened self-interest should take us into the league.

WAR DEBTS A TRADING POINT

What of the war debts? A growing body of opinion holds we could well afford to trade them off for the armament reduction that would be made possible by our entrance into the league. The sum of them bulks large, but the annual payments to us are only 6 per cent of our normal Budget. The saving to us in armament costs would offset the loss of these payments. Cancellation of the debts, with a reciprocal cut in German reparations by the former Allies, would hasten the economic recovery of Germany and the world. If by the same means we should effect a measurable reduction of armaments throughout the world, which reduction would be reflected in lower government costs and lower taxes, the total result would make the price, by comparison, infinitesimally small.

To say, with Mr. Coolidge, of our debtors that "they hired the money" and must pay it back is to ignore the plain facts. We are not going to war to collect the debts. Nicholas Murray Butler has said: "You might just as well try to make somebody pay the cost of the sunset as to pay the cost of the war. It can not be done."

Anything we might buy with the debts in the way of world peace or prosperity would be clear gain. Unquestionably the debts have a trading value.

XI.—Conclusion: Conceivably we can usher in a new prosperity through a readjustment of the distribution of the benefits of the machine—Amendment of men's economic and social ideals is the great need

Restoration of world prosperity would help us, but there would remain the great underlying problem that this article has sought to outline—the problem of how to bring about the readjustment made necessary by the concentration of too great wealth, with the aid of the machine, in comparatively few hands. Is the machine to be the servant or the master of the people? This is a question that each nation must answer for itself.

Through a shorter work week, without reduced pay, conceivably we in the United States could so diffuse the benefits of the machine among the people that "purchasing power" would be brought back to the production level and the Nation set on the way to a new prosperity—a healthier prosperity than that of the vaunted Coolidge era. This, as we have shown, can only be done through the voluntary or enforced renunciation of excessive profits. The alternative is public or private relief, or both, for the workers displaced by the machine.

Justice Brandeis once said: "Instead of amending the Constitution, I would amend men's economic and social ideals." And that, whatever else we may do or try to do, clearly must be accomplished if we are to solve the problem of the great depression.

PROPOSED BROADCASTING OF SENATE PROCEEDINGS

Mr. HOWELL. Mr. President, I send to the desk a resolution, which I ask may be read, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Let it be reported for the information of the Senate.

The legislative clerk read the resolution (S. Res. 28) submitted by Mr. HOWELL on the 9th instant and referred to the Committee on Rules, as follows:

Resolved, That a special select committee of three Senators, to be appointed by the President of the Senate, is authorized and directed to investigate the practicability of broadcasting proceedings of the United States Senate, and to report to Congress as soon as practicable the results of such investigation.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution? The Chair understands that the resolution having been referred to the Committee on Rules, a motion would first have to be made to discharge the committee.

Mr. ROBINSON of Arkansas. Let the resolution go over. The VICE PRESIDENT. Objection is made.

ADMISSION TO UNITED STATES OF FOREIGN PARTICIPANTS IN OLYMPIC GAMES

Mr. WAGNER. Mr. President, there was transmitted to the Senate to-day a joint resolution, House Joint Resolution 72, which proposes to permit the temporary entry into the United States under certain conditions of alien participants in the Tenth Olympic Games, to be held in the United States in 1932. There is no objection to the joint resolution at all, and therefore I ask unanimous consent that it may be immediately considered.

Mr. REED. Mr. President, I think it ought to go to the Committee on Immigration.

Mr. WAGNER. The Labor Department, the State Department, and the Bureau of Immigration jointly drew the joint resolution and are in favor of it. It confers merely upon the foreign participants in the Olympic games the same privilege which our athletes were granted by the countries which were the hosts of the Olympic games in former years.

Mr. REED. Then, doubtless, the committee will report it out favorably almost at once.

Mr. JOHNSON. Mr. President—

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from California?

Mr. WAGNER. I yield.

Mr. JOHNSON. It is purely a formal matter. Similar action has been taken on every occasion of the Olympic games. The House immediately passed the joint resolution upon its being reported out from the committee. The desire of the House was that it be passed by the Senate without delay. Of course, the committee will approve it; there is no doubt about that. It relates only to the participants in the Olympic games next year.

Mr. WAGNER. I may say to the Senator that the reason for haste is that the winter Olympic games are to be held at Lake Placid in February. The participants in those games from other countries are about ready to leave their home countries. There are some 23 nations interested.

Mr. REED. Then, will the Senator defer his request long enough to allow a few of us to read the joint resolution?

Mr. WAGNER. Certainly.

Mr. JONES. Mr. President, we may as well dispose of this matter at once. I shall have to object. I objected to a similar request of the Senator from Utah [Mr. SMOOT] the other day. The joint resolution ought to go to the committee. The committee can act and report it back this afternoon. I shall have to object and ask that the resolution be referred to the committee.

The VICE PRESIDENT. Objection being heard, the joint resolution will be read twice by title and referred.

The joint resolution (H. J. Res. 72) to permit the temporary entry into the United States under certain conditions of alien participants and officials of the third Olympic winter games and of the games of the tenth Olympiad, to be held in the United States in 1932, was read twice by its title and referred to the Committee on Immigration.

THE CALENDAR

The VICE PRESIDENT (at 1 o'clock and 12 minutes p. m.). Morning business is closed. The calendar is in order. The clerk will report the first bill on the calendar.

The CHIEF CLERK. A bill (S. 263) to insure adequate supplies of wild life, plant and animal, including forests, fish, and game, for the people of the United States; to secure the correlation and most economical conduct of wild-life research and restocking and the elimination of duplication of effort and expense between the several departments of the Federal Government having to do with the same; to promote the development and extension of experimental stations for breeding; to promote studies of diseases and other factors limiting the natural supply, and for other purposes.

Mr. ROBINSON of Arkansas. Mr. President, I do not see in the Chamber the Senator from Connecticut [Mr. WALCOTT], who reported the bill. It is apparently a very important measure. I have no objection to proceeding to its consideration, but I would not want it to pass in a perfunctory manner.

Mr. McNARY. Mr. President, the Senator from Connecticut [Mr. WALCOTT] is chairman of the Special Committee on Conservation of Wild-Life Resources. He has given a great deal of time to the subject matter contained in the bill, and I am sure is in hearty accord with its provisions and would like to have it passed. If there is any objection, however, let the bill go over.

The VICE PRESIDENT. The bill will be passed over. That concludes the calendar.

ELECTION OF PRESIDENT PRO TEMPORE

The VICE PRESIDENT. The Chair lays before the Senate the unfinished business, which is the election of a President pro tempore.

Mr. ROBINSON of Arkansas. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Austin	Cutting	Kean	Sheppard
Bailey	Dale	Kendrick	Shipstead
Bankhead	Davis	Keyes	Shortridge
Barbour	Dickinson	King	Smith
Barkley	Dill	La Follette	Smoot
Bingham	Fess	Lewis	Steiwer
Black	Fletcher	Logan	Swanson
Blaine	Frazier	McGill	Thomas, Idaho
Borah	George	McKellar	Thomas, Okla.
Bratton	Glenn	McNary	Townsend
Brookhart	Goldsborough	Metcalf	Trammell
Broussard	Gore	Morrison	Tydings
Bulkley	Hale	Moses	Vandenberg
Bulow	Harris	Neely	Wagner
Byrnes	Harrison	Norbeck	Walcott
Capper	Hatfield	Norris	Walsh, Mass.
Caraway	Hawes	Nye	Walsh, Mont.
Carey	Hayden	Oddie	Waterman
Connally	Hebert	Patterson	Watson
Coolidge	Howell	Reed	Wheeler
Copeland	Hull	Robinson, Ark.	White
Costigan	Johnson	Robinson, Ind.	
Couzens	Jones	Schall	

Mr. HARRISON. I desire to announce that my colleague the junior Senator from Mississippi [Mr. STEPHENS] is necessarily detained from the Senate by illness. He has a general pair with the junior Senator from Indiana [Mr. ROBINSON]. I ask that this announcement may stand for the day.

The VICE PRESIDENT. Ninety Senators have answered to their names. A quorum is present. The question is the election of a President pro tempore. On that question the Secretary will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. HARRISON (when his name was called). I am paired on this vote with the senior Senator from Delaware [Mr. HASTINGS]. I transfer that pair to the senior Senator from Arizona [Mr. ASHURST] and vote for Senator PITTMAN.

Mr. MOSES (when his name was called). Announcing once more my long-suffering pair, I withhold my vote.

Mr. ROBINSON of Indiana (when his name was called). I have a general pair with the junior Senator from Missis-

issippi [Mr. STEPHENS] who is detained at home on account of illness. I therefore withhold my vote. If permitted to vote, I should vote for Senator MOSES.

The roll call was concluded.

Mr. BINGHAM (after having voted for Senator MOSES). I inquire if the junior Senator from Virginia [Mr. GLASS] has voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. BINGHAM. Having a general pair with that Senator and being unable to obtain a transfer, I must withdraw my vote.

The roll call resulted—

FOR SENATOR PITTMAN—42

Bailey	Coolidge	Hull	Smith
Bankhead	Copeland	Kendrick	Swanson
Barkley	Costigan	King	Thomas, Okla.
Black	Dill	Lewis	Trammell
Bratton	Fletcher	Logan	Tydings
Broussard	George	McGill	Wagner
Bulkley	Gore	McKellar	Walsh, Mass.
Bulow	Harris	Morrison	Walsh, Mont.
Byrnes	Harrison	Neely	Wheeler
Caraway	Hawes	Robinson, Ark.	
Connally	Hayden	Sheppard	

FOR SENATOR MOSES—31

Austin	Goldsborough	Metcalf	Steiwer
Barbour	Hale	Norbeck	Townsend
Carey	Hatfield	Oddie	Vandenberg
Dale	Hebert	Patterson	Walcott
Davis	Johnson	Reed	Waterman
Dickinson	Kean	Schall	Watson
Fess	Keyes	Shortridge	White
Glenn	McNary	Smoot	

FOR SENATOR VANDENBERG—13

Blaine	Couzens	Jones	Thomas, Idaho
Borah	Cutting	La Follette	
Brookhart	Frazier	Norris	
Capper	Howell	Nye	

FOR SENATOR NORRIS—1

Shipstead

The VICE PRESIDENT. On this ballot Senator PITTMAN has received 42 votes, Senator MOSES 31 votes, Senator VANDENBERG 13 votes, and Senator NORRIS 1 vote. Eighty-seven votes have been cast; necessary to a choice, 44. No Senator having received a majority vote, there is no election, and the Secretary will again call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). On this question I have a pair with the junior Senator from Oregon [Mr. STEIWER]. I understand that if present he would vote for Senator MOSES, and if at liberty to do so I should vote for Senator PITTMAN. I withhold my vote.

Mr. HARRISON (when his name was called). Making the same announcement as before, I vote for Senator PITTMAN.

Mr. ROBINSON of Indiana (when his name was called). Making the same announcement as on the preceding ballot, I withhold my vote.

The roll call was concluded.

Mr. HAYDEN. My colleague the senior Senator from Arizona [Mr. ASHURST] is necessarily absent from the Senate on official business. He is paired with the Senator from Delaware [Mr. HASTINGS]. If present, my colleague would vote for Senator PITTMAN.

The roll call resulted—

FOR SENATOR PITTMAN—42

Bailey	Copeland	Hull	Smith
Bankhead	Costigan	Kendrick	Swanson
Barkley	Dill	King	Thomas, Okla.
Black	Fletcher	Lewis	Trammell
Broussard	George	Logan	Tydings
Bulkley	Glass	McGill	Wagner
Bulow	Gore	McKellar	Walsh, Mass.
Byrnes	Harris	Morrison	Walsh, Mont.
Caraway	Harrison	Neely	Wheeler
Connally	Hawes	Robinson, Ark.	
Coolidge	Hayden	Sheppard	

FOR SENATOR MOSES—31

Austin	Glenn	McNary	Smoot
Barbour	Goldsborough	Metcalf	Townsend
Bingham	Hale	Norbeck	Vandenberg
Carey	Hatfield	Oddie	Walcott
Dale	Hebert	Patterson	Waterman
Davis	Johnson	Reed	Watson
Dickinson	Kean	Schall	White
Fess	Keyes	Shortridge	

FOR SENATOR VANDENBERG—13

Blaine	Couzens	Jones	Thomas, Idaho
Borah	Cutting	La Follette	
Brookhart	Frazier	Norris	
Capper	Howell	Nye	

FOR SENATOR NORRIS—1

Shipstead

The VICE PRESIDENT. On this ballot Senator PITTMAN has received 42 votes, Senator MOSES 31 votes, Senator VANDENBERG 13 votes, and Senator NORRIS 1 vote. Total number of votes cast 87, necessary to a choice 44. No Senator having received a majority of the votes cast, there is no election, and the clerk will call the roll.

Mr. BRATTON (when his name was called). Repeating the announcement made on the previous vote, I withhold my vote.

Mr. McNARY (when Mr. DILL's name was called). The senior Senator from Washington [Mr. JONES] and the junior Senator from Washington [Mr. DILL] are absent on account of public matters. They are paired. If the senior Senator from Washington were present, he would vote for Mr. VANDENBERG. If the junior Senator from Washington were present, he would vote for Mr. PITTMAN.

Mr. HARRISON (when his name was called). Making the same announcement as before, I vote for Senator PITTMAN.

Mr. ROBINSON of Indiana (when his name was called). I find I can transfer my general pair with the junior Senator from Mississippi [Mr. STEPHENS] to the senior Senator from Ohio [Mr. FESS], and I can therefore vote. I vote for Mr. MOSES.

I wish to announce that if the senior Senator from Ohio [Mr. FESS] were present, he would vote for Senator MOSES.

The roll having been concluded, it resulted as follows:

FOR SENATOR PITTMAN—41

Bailey	Copeland	Kendrick	Swanson
Bankhead	Costigan	King	Thomas, Okla.
Barkley	Fletcher	Lewis	Trammell
Black	George	Logan	Tydings
Broussard	Glass	McGill	Wagner
Bulkley	Gore	McKellar	Walsh, Mass.
Bulow	Harris	Morrison	Walsh, Mont.
Byrnes	Harrison	Neely	Wheeler
Caraway	Hawes	Robinson, Ark.	
Connally	Hayden	Sheppard	
Coolidge	Hull	Smith	

FOR SENATOR MOSES—31

Austin	Goldsborough	Metcalf	Smoot
Barbour	Hale	Norbeck	Townsend
Bingham	Hatfield	Oddie	Vandenberg
Carey	Hebert	Patterson	Walcott
Dale	Johnson	Reed	Waterman
Davis	Kean	Robinson, Ind.	Watson
Dickinson	Keyes	Schall	White
Glenn	McNary	Shortridge	

FOR SENATOR VANDENBERG—13

Blaine	Couzens	La Follette	Thomas, Idaho
Borah	Cutting	Norris	
Brookhart	Frazier	Nye	
Capper	Howell	Shipstead	

The VICE PRESIDENT. On this ballot Senator PITTMAN received 41 votes, Senator MOSES 31 votes, Senator VANDENBERG 13 votes. Total number of votes cast, 85; necessary for a choice, 43. There having been no election, the Secretary will again call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRATTON (when his name was called). Repeating the announcement made on the previous vote, I withhold my vote.

Mr. HARRISON (when his name was called). Making the same announcement as before, I vote for Senator PITTMAN.

Mr. ROBINSON of Indiana (when his name was called). Again announcing the transfer of my general pair to the senior Senator from Ohio [Mr. FESS], I vote for Senator MOSES.

The roll call was concluded.

Mr. McNARY. With respect to the two Senators from Washington [Mr. JONES and Mr. DILL], I desire to make the same announcement for the RECORD.

The result was announced, as follows:

FOR SENATOR PITTMAN—41

Balley	Copeland	Kendrick	Swanson
Bankhead	Costigan	King	Thomas, Okla.
Barkley	Fletcher	Lewis	Trammell
Black	George	Logan	Tydings
Broussard	Glass	McGill	Wagner
Bulkeley	Gore	McKellar	Walsh, Mass.
Bulow	Harris	Morrison	Walsh, Mont.
Byrnes	Harrison	Neely	Wheeler
Caraway	Hawes	Robinson, Ark.	
Connally	Hayden	Sheppard	
Coolidge	Hull	Smith	

FOR SENATOR MOSES—31

Austin	Goldsborough	Metcalf	Smoot
Barbour	Hale	Norbeck	Townsend
Bingham	Hatfield	Oddie	Vandenberg
Carey	Hebert	Patterson	Walcott
Dale	Johnson	Reed	Waterman
Davis	Kean	Robinson, Ind.	Watson
Dickinson	Keyes	Schall	White
Glenn	McNary	Shortridge	

FOR SENATOR VANDENBERG—13

Blaine	Couzens	La Follette	Thomas, Idaho
Borah	Cutting	Norris	
Brookhart	Frazier	Nye	
Capper	Howell	Shipstead	

The VICE PRESIDENT. On this ballot there were 41 votes cast for Senator PITTMAN, 31 for Senator MOSES, and 13 for Senator VANDENBERG. A total of 85 votes were cast. Forty-three being necessary for a choice and no Senator having received a majority, there is no election.

Mr. WATSON obtained the floor.

Mr. ROBINSON of Arkansas. Mr. President, may I be indulged for just a brief statement?

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from Arkansas?

Mr. WATSON. Certainly.

Mr. ROBINSON of Arkansas. Mr. President, I should like the privilege now of observing that for several days the Senate has been voting in the election of a President pro tempore. Under an order adopted many years ago, once a President pro tempore is elected he serves until his successor is chosen, or until the end of his term of office as a Senator of the United States.

The vote on each successive ballot has shown a united front on this side of the Chamber in support of the Democratic nominee for President pro tempore. On the other side of the Chamber it has shown a division which it seems to me threatens to perpetuate itself or to continue indefinitely. I do not believe that the Senate will be justified in prolonging this contest to the prevention of the consideration of important legislation. There is now only one bill on the calendar, which is a bill reported from a special committee by the Senator from Connecticut [Mr. WALCOTT]. It is an important measure.

So far as I am concerned, and I think I speak for the Senator from Nevada [Mr. PITTMAN] himself, who is cordially supported by everyone on this side of the Chamber for this distinction, unless it can be made to appear that there is a reasonable probability of bringing the issue to a conclusion I shall favor proceeding with legislation when measures of importance are presented here.

On the first ballot to-day the Senator from Nevada [Mr. PITTMAN] received 42 votes, the Senator from New Hampshire [Mr. MOSES] 31, the Senator from Nebraska [Mr. NORRIS] 1, and the Senator from Michigan [Mr. VANDENBERG] 13. On the last ballot that has been supplied to me the vote for my good friend the Senator from Nebraska [Mr. NORRIS] completely disappeared. I think I may be pardoned for saying that I am surprised and regretful that the Senator has not made a stronger showing in this contest. [Laughter.] His powers of argument, his knowledge of parliamentary law, his skill in legislation are all well recognized.

The significant fact is that whatever happens, the Senator from New Hampshire [Mr. MOSES] does not gain. He comes down to battle with 31 votes—stalwart, loyal, indomitable. I do not believe the Senate is justified in entering into an arrangement, if such an arrangement were proposed, as that entered into some years ago when it was agreed that one Senator should serve as President pro tempore for a fixed period and that for a similar period another Senator should serve. Nothing is to be accomplished by such a procedure.

The issue was precipitated for a test of strength in the Senate. When legislation of importance is ready for consideration, so far as I am personally concerned, I shall favor proceeding to its consideration, unless assured that there is a prospect for the election of my candidate or for some other method of reaching a solution of this very difficult issue.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT, as in executive session, laid before the Senate messages in writing from the President of the United States making sundry nominations, which were referred to the appropriate committees. (For nominations this day received see the end of Senate proceedings.)

INVESTIGATION BY TARIFF COMMISSION—LEAD

Mr. KING. Mr. President, at the last session of Congress Senate Resolution No. 441 was adopted, directing the Tariff Commission to investigate the differences in the cost of production during the calendar years 1928, 1929, and 1930, in the following domestic and foreign article: Lead; and to report thereon to the Senate as soon as possible. Soon after the resolution was adopted those who had requested me to submit it to the Senate and ask for its consideration stated that the circumstances, in their opinion, did not warrant the Tariff Commission proceeding. I immediately communicated with the chairman of the Tariff Commission, as well as a number of the members, and called their attention to the request which had been made that I have the resolution rescinded. The Senate in the meantime had adjourned so that such action was impossible. The Tariff Commission, responding to the suggestion which I made, did not proceed with the investigation. However, they had many other matters which challenged their attention. I promised that as soon as the Senate met I would move to rescind the action by which the resolution to which I have referred was adopted. I, therefore, submit a resolution rescinding the resolution to which I have referred and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution (S. Res. 88) was considered and agreed to, as follows:

Resolved, That Senate Resolution 441, Seventy-first Congress, agreed to February 16, 1931, to investigate the production costs of lead for the years 1928, 1929, and 1930 be, and the same is hereby, rescinded.

LATIN AMERICAN BONDS—THE GOLD STANDARD

Mr. KING. Mr. President, I ask unanimous consent to have printed in the RECORD an address recently delivered by Mr. Walter Lafferty before the Latin American Bondholders Association on the subject of Latin American bonds and effects of the gold standard.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Gentlemen, being a holder of Latin American bonds, you have asked me to join your association, and I have cheerfully done so. This is the first intelligent and concerted effort I have seen to do something to right matters.

The problem of preserving the integrity of South American bonds is inseparable from that of restoring world commerce and finance.

Through this organization the serious minded of North America will make common cause with the equally serious minded of Latin America and Europe in finding a way out, and in a manner to preserve present friendships and bind us closer in the future.

The paradox of distress, public and private, in the midst of plenty is subject to clarification and remedy.

Personal suffering, unemployment, and even hunger are just as great in the United States as in Latin America and the rest of the world, and the destruction of private fortunes and life's savings has been heavier here than in any other country.

"What is the matter with the world?" is a question which has for months been in the mind of every thinking person. Members of the international banking fraternity, although knowing full well what the trouble is, have not, for selfish reasons, seen fit to tell us. On the contrary, they have sought to keep us in the dark by offering the alternate alibis of "overproduction," "postwar adjustments," and "necessary cyclical depressions."

The world's credit structure is an inverted pyramid, its apex resting on a fine point of gold, and when the gold moves the least bit of the whole structure trembles.

The present disequilibrium between monetary value and property and commodity values is what is the matter with the world.

Owing to its scarcity and its being locked up in legal reserves of central banks of issue gold has taken on an artificial value which amounts to legalized extortion against those compelled to buy gold exchange to pay their debts and against those who must surrender their securities, property, and commodities for a gold-exchange dollar.

Your property, securities, or commodities, which would have readily exchanged three years ago for \$100 of gold-exchange money, will not bring you more than \$25 of gold-exchange money to-day.

That, and only that, is what is the matter with the world.

During the past three years hundreds of billions of world wealth, invested in good faith in railroads, real estate, and securities, have been ruthlessly wiped out and world commerce and industry prostrated and millions thrown out of employment by this ghastly spectacle of gold's failure to discharge its function as a stable and adequate medium of exchange.

They ask us to stand by the gold standard. But the gold standard has not stood by us. It has gone into hiding, into legal reserves, and to get one dollar of it or of gold-exchange money, which is the same thing, we must surrender four or five dollars' worth of property, securities, or commodities.

This situation is not only unnatural, it is repulsive. The world might as well allow its property to be destroyed by a conflagration as by such a wholly unnatural and artificial cause. The world will not much longer stand for this legalized robbery and confiscation of legitimate values, this sacrifice of manhood and womanhood, as well as private fortunes, to the whims of a pampered and worshiped tyrant, the impotent single gold standard.

There are less than eleven billions of monetary gold in the world. It has ceased to actually function as a medium of exchange, as was primarily intended, but hundreds of billions of debts and taxes are due and owing in gold exchange. This gold exchange must be bought with labor and commodities, and owing to the scarcity of gold its value has artificially skyrocketed into the heavens, while all property and commodities have taken a plunge into the depths as a necessary corollary.

Thus we find to-day a wholly artificial and actually dishonest disparity between monetary value as measured by the single gold standard, on the one hand, and property and commodity values on the other. This unnatural disparity has become so great as to shock the conscience and sense of justice of the world. It is so great and so glaring as to be inherently a fraud upon fair and honest commerce and financial dealing.

As one of the results we holders of Latin American bonds stand to lose unless we do something constructive, as some of our bonds for which we paid par are now selling at 10. And we are in the same boat with holders of domestic bonds, stocks, and real estate, and we make common cause with them in demanding a remedy now long overdue.

"Overproduction" is no longer offered even by the international single gold standard bankers as an alibi for the colossal maladjustment between monetary value and property and commodity values, for it has been shown to be notoriously false. Commodities and property not overproduced are down with the rest. Farm lands and city real estate have depreciated over half. Securities of railroads, independent banks, and great industrial plants have depreciated correspondingly with real estate. Wheat, corn, cotton, coffee, copper, rubber, tin, and other key commodities, the world need for which is normally uniform, have actually fallen below the cost of production. Hundreds of independent banks have gone under, leaving desolation and anguish in their wake.

The single gold standard has become a Frankenstein which has turned tyrant against the world and rendered its commerce and finances prostrate.

The total debt of the world is over four hundred billions as measured in dollars. Those debts must be paid, if at all, in commodities whose value must be measured by exchange for some other commodity used as money.

When we seek another commodity to add to the world's monetary base we naturally turn to silver because of its traditions and historic background. For thousands of years gold and silver were used side by side as basic money. In volume 1 of our Statutes at Large, page 248, we find where George Washington signed our first act of Congress establishing our monetary system, and it provided that the silver dollar, containing 416 grains of standard silver, should be the unit of value, and that a gold dollar, containing 27 grains of standard gold, should pass current at equal value with the silver dollar.

It is only during the past 120 years that efforts have been made from time to time in different parts of the world to make gold the sole base of all money. Great Britain first tried it in 1816, and it proved disastrous. It has since been tried there many times and as often departed from. When the seasoned financiers of Great Britain again decided to go off the single gold standard last September, it is reasonable to predict that they marked the first turn for the better in the present world depression.

Only France and the United States, representing less than 10 per cent of the world's population, are now holding out as bitter-enders for the survival of the archaic and destructive single gold standard. This stubbornness on the part of France and the United States is absolute folly. If, by any miracle, they should succeed in keeping alive the single gold standard, the only result would be a brief period of tolerable prosperity when we would again run into a so-called and wholly unnecessary cyclical depression as soon as world credits were increased to meet the needs of world commerce. If France and the United States shall persist in their struggle to maintain the single gold standard, and fail (as they

will), they will only needlessly have prolonged our present agony and postponed world recovery.

Sir Archibald Alison tells us in his History of Europe that the demonetization of silver by Great Britain in 1816 added 50 per cent to the weight of debts and taxes; that small landed proprietors were ruined by the fall in prices; that distress was universal and seriously affected all branches of industry; that 160,000 landowners were reduced numerically in a few years to less than 30,000; and that 15 per cent of the population became objects of charity.

Sir Thomas Gresham, speaking of the same experiment, said:

"For every less sum owing a greater shall be paid; with the fall of prices farmers have no profits, the landlord no rent, the manufacturer no customers, and the laborer no employment."

The conditions so graphically described by Alison and Gresham have been exactly paralleled in the United States and the world the past three years, because of the artificially increased value of gold, due to its scarcity, its inadequacy, and its inefficient supply being locked up in legal reserves of central banks of issue.

What remedy do the great international single-gold-standard bankers of France and the United States propose? None, except to let the world sweat it out, till the world's pyramid of credit shall be reduced through defaults, cancellations, bankruptcies, receiverships, and failures, till it again becomes small enough to be supported for a time by their pitiful eleven billions of gold. What is their selfish object? It is to retain the world's credit concession on the small base of gold, so they can control it, even if the rest of us and the whole world must go bankrupt in the process. They appeal to our patriotism and generosity to support the unemployed and hungry while their selfish program is being carried out. They offer threadbare alibis to keep the people quiet, and ask us to grin and bear it. They ask us to wait. What for? Again, till the pyramid of credit has been still further reduced by more failures and more suffering to a point where it can be supported by gold alone. They tell us consolingly that the world has always emerged from past depressions, and will from this one, and expect us supinely to wait, wait, wait.

Why should the twenty hundred millions of people of the world longer kneel before a pitiable pot of eleven billions of gold, and regard it as something mystic or sacred, as the heathens of old worshiped their idols of clay? Through the hearts of these twenty hundred millions of people course the pulsating life blood of the human race, which was placed on this globe by Almighty God to progress and move ever onward. Why should the world have its happiness and progress obstructed by such an unnatural and purely artificial barrier, such a man-made device, such an impersonation of actual fraud and duress?

Even though the single gold standard may have been adopted originally in the best of faith, changed circumstances through the growth of world commerce, which could not be foreseen, and the further fact that the gold is now all locked up in legal reserves of central banks of issue, which could not have been foreseen, have made the present working of the single gold standard so oppressive, extortionate, and unconscionable as to amount to a legal fraud upon fair dealing. It is the law of every civilized nation that when an arrangement, although originally fair, ceases to be fair through changed circumstances not in the original contemplation of the parties the courts will not permit the party which is thus given the upper hand to take advantage of his wholly un-anticipated power to oppress the other. A great chancellor has said that in such a case no honest man would accept benefits from such an unforeseen change and that, therefore, no dishonest man will be permitted to do so.

The time has come for action. The United States Senate last February, without a dissenting vote, asked Mr. Hoover to call an international conference to reach an understanding on silver. Mr. Hoover has not done so, but echoes Wall Street and Paris in asking us to wait, wait, wait.

The present disparity between the price of gold exchange, due to the distorted price of the almost unobtainable gold, presents to the world a spectacle of stern reality more grotesque and hideous than was ever painted in fiction.

The miserable pot of less than eleven billions of monetary gold has sprung up as an evil giant and spread havoc throughout the world, while normally powerful nations, states, municipalities, and corporations have for the present become helpless dwarfs unable to function in a normal way.

Great cities of the United States, like Chicago, are unable to pay school-teachers and employees, and great States, like Tennessee, offer bonds to meet deficits and find no adequate bids. Many of the great cities and republics of Latin America and Europe, and many great municipalities and domestic corporations at home find themselves unable to buy gold exchange with their ordinary revenues with which to meet their pay rolls and maturing interest. The great Federal Government of the United States would be unable to pay all its employees and meet its maturing obligations except for its capacity to borrow more, and many less fortunate countries do not now have that capacity.

In the face of this unspeakable and wholly unnecessary world tragedy the international single-gold-standard bankers ask us to wait, wait, wait. They tell us that their deflation program must run its course. But their deflation program means inflation to the value of their gold and deflation only to the rest of the world. What they really mean is that as soon as our securities are all defaulted and wiped out they will again transfer some of the inflated value of their gold into the form of bonds and ask us to buy them with the products of our toil and labor, and to hold them until they shall find it necessary to deflate us again. But

every time we are deflated the international single-gold-standard bankers are inflated, and in that way the world has become the stupid slave to a putrid pot of less than eleven billions of gold.

If Al Capone were out of jail, and he and his gang should capture all the gold there is and take it "for a ride" in a fleet of rum runners, and dump it in the deepest part of the Atlantic, where it could never be recovered, it would be a God's blessing in the present state of the world. Overnight the human race would find a better and more adequate medium of exchange to carry on its trade and commerce, and such an era of lasting prosperity and progress would be upon us as has not been seen since the morning stars first sang together.

ADJOURNMENT

Mr. WATSON. I move that the Senate adjourn, the adjournment being until to-morrow at 12 o'clock noon.

The motion was agreed to; and (at 2 o'clock and 17 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, December 15, 1931, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 14, 1931

COMMISSIONERS OF IMMIGRATION

Edward Corsi, of New York, to be commissioner of immigration at the port of New York.

Alexander Maxwell, of Pennsylvania, to be commissioner of immigration at the port of Philadelphia, Pa.

PUBLIC HEALTH SERVICE

Asst. Surg. Ralph Gregg to be passed assistant surgeon in the Public Health Service, to rank as such from December 28, 1931.

The following-named doctors to be assistant surgeons in the Public Health Service, to take effect from date of oath:

Benton Oliver Lewis. Henry L. Wollenweber.
Charles T. Meacham, jr. David C. Elliott.

APPOINTMENTS AND PROMOTIONS IN THE NAVY

Rear Admiral Orin G. Murfin to be Judge Advocate General of the Navy, with the rank of rear admiral, for a term of four years.

Capt. Edgar B. Larimer to be Chief of the Bureau of Ordnance in the Department of the Navy, with the rank of rear admiral, for a term of four years.

Capt. Samuel M. Robinson to be Engineer in Chief and Chief of the Bureau of Engineering in the Department of the Navy, with the rank of rear admiral, for a term of four years.

Capt. William C. Watts to be a rear admiral in the Navy, from the 1st day of April, 1931.

Capt. Yancey S. Williams to be a rear admiral in the Navy from the 1st day of June, 1931.

The following-named captains to be rear admirals in the Navy from the 1st day of July, 1931:

Joseph K. Taussig, an additional number in grade. Edward C. Kalbfus.
Clark H. Woodward.

Claude C. Bloch.

Commander Thomas Withers, jr., to be a captain in the Navy from the 23d day of January, 1931.

Commander Harry L. Pence to be a captain in the Navy from the 1st day of April, 1931.

Commander Frank H. Roberts to be a captain in the Navy from the 1st day of May, 1931.

Commander Andrew S. Hickey to be a captain in the Navy from the 1st day of June, 1931.

The following-named commanders to be captains in the Navy from the 4th day of June, 1931:

Charles C. Hartigan.

George A. Alexander.

The following-named commanders to be captains in the Navy from the 30th day of June, 1931:

Roland M. Brainard. Lesley B. Anderson.

Sherwoode A. Taffinder. John S. McCain.

John T. G. Stapler.

The following-named commanders to be captains in the Navy from the 1st day of July, 1931:

Matthias E. Manly.

Alexander Sharp, jr.

Hollis M. Cooley, an additional number in grade.

Aubrey W. Fitch.

Commander Edward D. Washburn, jr., to be a captain in the Navy from the 1st day of August, 1931.

Commander Fred F. Rogers to be a captain in the Navy from the 1st day of September, 1931.

The following-named commanders to be captains in the Navy from the 1st day of November, 1931:

Claude A. Bonvillian, an additional number in grade.

Edwin A. Wolleson.

Lieut. Commander John H. Wellbrock to be a commander in the Navy from the 1st day of January, 1931.

Lieut. Commander Clarkson J. Bright to be a commander in the Navy from the 23d day of January, 1931.

Lieut. Commander William D. Kilduff to be a commander in the Navy from the 1st day of April, 1931.

Lieut. Commander Stewart A. Manahan to be a commander in the Navy from the 1st day of May, 1931.

The following-named lieutenant commanders to be commanders in the Navy from the 1st day of June, 1931:

Herbert O. Roesch.

John F. Donelson.

The following-named lieutenant commanders to be commanders in the Navy from the 4th day of June, 1931:

Webb Trammell.

Charlton E. Battle, jr.

Robert M. Griffin.

Robert H. Skelton.

Alfred G. Zimmermann.

Roger W. Paine.

Delavan B. Downer.

Oliver L. Wolfard.

Ellis S. Stone.

Harry L. Merring.

Francis S. Craven.

Lybrand P. Smith.

William D. Chandler, jr.

Harry W. Hill.

Bernhard H. Bieri.

Oscar C. Badger.

James C. Byrnes, jr.

Robert K. Awtrey.

Howard S. Jeans.

Edward W. Hanson.

Daniel J. Callaghan.

Frank J. Lowry.

Thomas Baxter.

Walter A. Riedel.

Edgar R. McClung.

John H. Magruder, jr.

Lewis W. Comstock.

Thomas S. McCloy.

Lyell St. L. Pamperin.

Frank C. McCord.

The following-named lieutenant commanders to be commanders in the Navy from the 30th day of June, 1931:

Oliver M. Read.

George J. McMillin.

Howard F. Kingman.

James G. B. Gromer.

The following-named lieutenant commanders to be commanders in the Navy from the 1st day of July, 1931:

Donald C. Godwin. Howard D. Bode.

Lieut. Commander Richard H. Booth to be a commander in the Navy from the 1st day of August, 1931.

Lieut. Commander Robert M. Hinckley to be a commander in the Navy from the 1st day of September, 1931.

Lieut. Commander Charles H. McMorris to be a commander in the Navy from the 1st day of October, 1931.

Lieut. Commander Guysbert B. Vroom to be a commander in the Navy from the 4th day of June, 1931.

The following-named medical directors to be medical directors in the Navy, with the rank of rear admiral, from the 7th day of December, 1926:

James F. Leys.

Charles P. Kindleberger.

The following-named medical inspectors to be medical directors in the Navy, with the rank of captain, from the 22d day of January, 1931:

Myron C. Baker.
Howard F. Lawrence.
Ernest W. Brown.

Medical Inspector Harry H. Lane to be a medical director in the Navy, with the rank of captain, from the 1st day of June, 1931.

The following-named medical inspectors to be medical directors in the Navy, with the rank of captain, from the 1st day of December, 1931:

Ralph W. McDowell.	George F. Cottle.
George C. Thomas.	William L. Mann, jr.
Alfred L. Clifton.	John G. Ziegler.
Lucius W. Johnson.	

The following-named pay inspectors to be pay directors in the Navy, with the rank of captain, from the 1st day of July, 1929:

Charles E. Parsons.
Robert K. Van Mater.

Professor of Mathematics Theodore W. Johnson to be a professor of mathematics in the Navy, with the rank of captain, from the 1st day of August, 1931.

Naval Constructor James O. Gawne to be a naval constructor in the Navy, with the rank of captain, from the 11th day of May, 1930.

The following-named civil engineers to be civil engineers in the Navy, with the rank of captain, from the 1st day of May, 1931:

Norman M. Smith.	Ralph Whitman.
Glenn S. Burrell.	

MARINE CORPS

Col. Frederic L. Bradman to be a brigadier general in the Marine Corps from the 20th day of May, 1931.

Lieut. Col. Percy F. Archer, assistant quartermaster, to be an assistant quartermaster in the Marine Corps with the rank of colonel from the 30th day of January, 1931.

Lieut. Col. Seth Williams, assistant quartermaster, to be an assistant quartermaster in the Marine Corps with the rank of colonel from the 20th day of May, 1931.

Lieut. Col. Gerard M. Kincade to be a colonel in the Marine Corps from the 1st day of July, 1931.

Lieut. Col. Jesse F. Dyer to be a colonel in the Marine Corps from the 1st day of September, 1931.

Lieut. Col. James J. Meade to be a colonel in the Marine Corps from the 1st day of October, 1931.

Maj. William W. Buckley to be a lieutenant colonel in the Marine Corps from the 1st day of December, 1930.

Maj. William D. Smith to be a lieutenant colonel in the Marine Corps from the 30th day of January, 1931.

Maj. Harold B. Pratt to be a lieutenant colonel in the Marine Corps from the 20th day of May, 1931.

Maj. Randolph Coyle to be a lieutenant colonel in the Marine Corps from the 1st day of July, 1931.

Maj. Philip H. Torrey to be a lieutenant colonel in the Marine Corps from the 1st day of September, 1931.

Maj. Robert L. Denig to be a lieutenant colonel in the Marine Corps from the 1st day of October, 1931.

Maj. Charles F. B. Price to be a lieutenant colonel in the Marine Corps from the 29th day of October, 1931.

Capt. Thad T. Taylor to be a major in the Marine Corps from the 30th day of June, 1930.

Capt. James M. Bain to be a major in the Marine Corps from the 30th day of January, 1931.

The following-named captains to be captains in the Marine Corps to correct the dates from which they take rank as previously nominated and confirmed:

Moses J. Gould from the 1st day of September, 1930.
George R. Rowan from the 29th day of September, 1930.
Richard H. Schubert from the 1st day of October, 1930.

First Lieut. George W. Walker to be a captain in the Marine Corps from the 2d day of September, 1930.

First Lieut. Theodore H. Cartwright to be a captain in the Marine Corps from the 1st day of October, 1930.

First Lieut. William J. Whaling to be a captain in the Marine Corps from the 1st day of December, 1930.

First Lieut. Herman H. Hanneken to be a captain in the Marine Corps from the 1st day of December, 1930.

First Lieut. Daniel R. Fox to be a captain in the Marine Corps from the 24th day of December, 1930.

First Lieut. William Ulrich to be a captain in the Marine Corps from the 1st day of January, 1931.

First Lieut. Ralph W. Culpepper to be a captain in the Marine Corps from the 1st day of January, 1931.

The following-named first lieutenants to be first lieutenants in the Marine Corps to correct the dates from which they take rank as previously nominated and confirmed:

Walter I. Jordan from the 2d day of April, 1930.

Arthur W. Ellis from the 10th day of April, 1930.

Edwin C. Ferguson from the 19th day of April, 1930.

Homer L. Litzenberg, jr., from the 30th day of April, 1930.

Wilbur S. Brown from the 12th day of May, 1930.

Theodore B. Millard from the 1st day of June, 1930.

Floyd A. Stephenson from the 29th day of June, 1930.

Albert L. Gardner from the 30th day of June, 1930.

Samuel S. Ballentine from the 1st day of July, 1930.

James P. S. Devereux from the 9th day of July, 1930.

Edward J. Trumble from the 1st day of August, 1930.

Martin S. Rahiser from the 1st day of September, 1930.

Frank J. Uhlig from the 2d day of September, 1930.

Adolph Zuber from the 16th day of September, 1930.

Robert E. Hogaboom from the 29th day of September, 1930.

James Snedeker from the 1st day of October, 1930.

John D. Blanchard from the 12th day of October, 1930.

John N. Hart from the 1st day of November, 1930.

Lionel C. Goudeau from the 2d day of November, 1930.

Hawley C. Waterman from the 1st day of December, 1930.

Second Lieut. James O. Brauer to be a first lieutenant in the Marine Corps from the 24th day of December, 1930.

Second Lieut. Thomas C. Green to be a first lieutenant in the Marine Corps from the 31st day of December, 1930.

Second Lieut. Andrew J. Mathiesen to be a first lieutenant in the Marine Corps from the 1st day of January, 1931.

Second Lieut. Joseph C. Burger to be a first lieutenant in the Marine Corps from the 1st day of January, 1931.

Second Lieut. David L. Cloud, jr., to be a first lieutenant in the Marine Corps from the 1st day of January, 1931.

Second Lieut. Calvin R. Freeman to be a first lieutenant in the Marine Corps from the 7th day of January, 1931.

Second Lieut. Francis J. Cunningham to be a first lieutenant in the Marine Corps from the 30th day of January, 1931.

Second Lieut. Verne J. McCaul to be a first lieutenant in the Marine Corps from the 1st day of February, 1931.

Second Lieut. Leslie F. Narum to be a first lieutenant in the Marine Corps from the 1st day of February, 1931.

Second Lieut. Ion M. Bethel to be a first lieutenant in the Marine Corps from the 18th day of February, 1931.

Second Lieut. John F. Hough to be a first lieutenant in the Marine Corps from the 1st day of March, 1931.

Second Lieut. Robert L. Griffin, jr., to be a first lieutenant in the Marine Corps from the 1st day of March, 1931.

Second Lieut. Glenn M. Britt to be a first lieutenant in the Marine Corps from the 1st day of April, 1931.

Second Lieut. Archie V. Gerard to be a first lieutenant in the Marine Corps from the 12th day of April, 1931.

Second Lieut. Edward L. Pugh to be a first lieutenant in the Marine Corps from the 20th day of May, 1931.

Second Lieut. William M. O'Brien to be a first lieutenant in the Marine Corps from the 1st day of June, 1931.

Second Lieut. Lawrence Norman to be a first lieutenant in the Marine Corps from the 7th day of June, 1931.

Second Lieut. Granville K. Frisbie to be a first lieutenant in the Marine Corps from the 15th day of June, 1931.

Second Lieut. Earl H. Phillips to be a first lieutenant in the Marine Corps from the 20th day of June, 1931.

Second Lieut. Paul A. Putnam to be a first lieutenant in the Marine Corps from the 25th day of June, 1931.

Second Lieut. Matthew C. Horner to be a first lieutenant in the Marine Corps from the 1st day of July, 1931.

Second Lieut. James M. Ranck, jr., to be a first lieutenant in the Marine Corps from the 1st day of July, 1931.

Second Lieut. Presley M. Rixey, 3d, to be a first lieutenant in the Marine Corps from the 25th day of July, 1931.

Second Lieut. Lee N. Utz to be a first lieutenant in the Marine Corps from the 31st day of July, 1931.

Corpl. Richard W. Hayward, a noncommissioned officer of the Marine Corps, to be a second lieutenant in the Marine Corps, probationary for two years, from the 10th day of February, 1931.

The following-named midshipmen to be second lieutenants in the Marine Corps from the 4th day of June, 1931:

Austin R. Brunelli.	John A. White.
Lewis C. Hudson, jr.	Samuel G. Taxis.
Edmund B. Games.	Edward J. Dillon.
Albert J. Keller.	Harold I. Larson.
Luther S. Moore.	Clifton R. Moss.
Harry S. Leon.	Bankson T. Holcomb, jr.
Nelson K. Brown.	Frederick L. Wieseman.
Charles R. Jones.	Robert S. Brown.
Clifford H. Shuey.	Harlan C. Cooper.
Wayne H. Adams.	Robert E. Fojt.
John H. Cook, jr.	William K. Pottinger.
Edward H. Forney, jr.	Billy W. King.

James H. Brower, a citizen of New York, to be a second lieutenant in the Marine Corps, probationary for two years, from the 11th day of June, 1931.

George R. Shell, a citizen of Virginia, to be a second lieutenant in the Marine Corps, probationary for two years, from the 11th day of June, 1931.

Quartermaster Clerk Joseph C. Brochek to be a chief quartermaster clerk in the Marine Corps, to rank with but after second lieutenant, from the 27th day of May, 1930.

HOUSE OF REPRESENTATIVES

MONDAY, DECEMBER 14, 1931

The House met at 12 o'clock noon.

The Chaplain, Rev. J. Shera Montgomery, D. D., offered the following prayer:

We beseech Thee, O Lord our God, for that which we need. We pray Thee that Thou wilt grant that the cause of justice and peace may prevail among all nations. May all disturbances which tend to break into war be succumbed. May nation join nation until at last there shall be concord in all the earth. Send forth Thy light and drive farther and farther away the darkness of suffering and the tragedy of cruelty. We thank Thee, our Father, that Thou hast not sent upon us the frowns of anger, but Thou hast been revealed unto us as an all-loving Father through the Master of Sorrows. Within His realm there is warmth and hope and cheer and blessing. Breathe upon us, O Christ of God. Amen.

The Journal of the proceedings of Friday, December 11, 1931, was read and approved.

MESSAGE FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Craven, its principal clerk, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 39. Joint resolution extending the time within which the War Policies Commission is required to submit its final report.

The message also announced that the Vice President had appointed Mr. COUZENS and Mr. SMITH members of the Joint Select Committee on the part of the Senate, as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide

for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Federal Radio Commission.

EXTENSION OF REMARKS

Mr. GLOVER. Mr. Speaker, I hold in my hand some poetry on George Washington, recently composed by a distinguished educator who lives in my county and town. I think it will be a wonderful contribution to the bicentennial celebration.

I ask unanimous consent to extend my remarks in the Record to include this poetry.

Mr. UNDERHILL. Mr. Speaker, I object.

PERMISSION TO COMMITTEE ON WAYS AND MEANS TO SIT DURING SESSIONS OF THE HOUSE

Mr. COLLIER. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have the privilege of being in session while the House is in session.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. SNELL. Mr. Speaker, will the gentleman yield for a question? I am not going to object.

Mr. COLLIER. I yield.

Mr. SNELL. Can the gentleman give the House and the country any indication as to when he expects the moratorium resolution to come forward for the House to act upon?

Mr. COLLIER. I will be glad to do so. I have just dropped the moratorium resolution in the basket, and it is expected to hold hearings on that resolution before the Committee on Ways and Means at 2 o'clock to-morrow.

Mr. SNELL. When does the gentleman expect it to come on the floor of the House?

Mr. COLLIER. I hope we will be able to get it up on the floor of the House by Thursday.

Mr. RANKIN. Reserving the right to object, does the gentleman from Mississippi mean that that is all the investigation which this question is going to receive before the Ways and Means Committee?

Mr. COLLIER. I may say to my colleague from Mississippi that we expect to begin hearings to-morrow. If there is anyone who desires to be heard, he certainly will not be precluded from having a hearing. How long the hearings will continue I am unable to state definitely at this time. I have just stated to the gentleman from New York that my hope is that we may conclude the hearings in two days.

Mr. RANKIN. I, for one, should like very much to be heard.

Mr. COLLIER. The gentleman will certainly be given an opportunity.

Mr. RANKIN. I have a resolution that is now before the Rules Committee asking that we go into this thing thoroughly and investigate it thoroughly. My opinion is that when we do the moratorium resolution will never pass this House.

The facts developed relative to this so-called moratorium on foreign debts to the United States reveal one of the boldest schemes of financial buccaneering ever attempted against the unsuspecting people of the United States.

The international bankers who are behind this scheme have been telling the American people that unless this moratorium were granted our debtors would default on their payments. The truth is that these payments have already been made, or deposited in the New York banks, to be turned over to the American Government. Especially is that true as to England, France, and Italy. They are the only three nations involved to whom Germany owes anything. None of them asked for this moratorium. It has been contended that the object of it is to help Germany, indirectly, although Germany has recently loaned \$800,000,000 to red Russia.

As to the other eight nations involved, none of whom asked for this moratorium, it is now shown that Germany does not owe them one cent. But they all do owe these international bankers who are back of this movement.

In his frantic efforts to pull the administration out of the hole in which it now finds itself, Ogden L. Mills, Wall Street's representative in the Treasury Department, says:

There has never at any time been any intention of coupling the President's approval to re-create the World War Foreign Debt Commission with the proposal for a one year's suspension of payments on foreign debts.

Then why did he ask for the re-creation of the World War Foreign Debt Commission? There can be but one answer. It was to scale down, reduce, or cancel these foreign debts to the United States and unload the burden of paying them on to the American people.

This money, now deposited in New York to be turned over to the United States in settlement of these debt payments, will not be returned to Europe if this moratorium goes through. It will simply be transferred to these international bankers, who are urging Congress to act before it has ample time to investigate.

If the Ways and Means Committee of the House and the Finance Committee of the Senate will take their time and investigate this question thoroughly in the light of these recent revelations, in my humble opinion, there will not be enough Members in either House to favor it to secure a roll call.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. COLLIER]?

There was no objection.

MEMBERSHIP OF COMMITTEES OF THE HOUSE

Mr. RAINEY. Mr. Speaker, I offer a resolution which I send to the Clerk's desk.

The Clerk read as follows:

House Resolution 54

Resolved, That during the Seventy-second Congress the Committees on the Judiciary, on Interstate and Foreign Commerce, on Agriculture, and on Rivers and Harbors shall each be composed of 23 members.

The resolution was agreed to.

THE PRESIDENT'S MESSAGE

Mr. RAINEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the President's message.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the President's message, with Mr. LOZIER in the chair.

Mr. PURNELL. Mr. Chairman, I yield five minutes to the gentleman from Massachusetts [Mr. UNDERHILL.]

Mr. UNDERHILL. Mr. Chairman, if I were not jealous of the reputation of this body I would not detain you for even five minutes.

A speech was made on the floor of the House on Friday last which has had considerable publicity, and, I suppose, that was the purpose of the speech; but there was nothing constructive in the speech, and the only good feature was the apology which followed its delivery.

I shall pass over the complimentary reference to the lady Members of the House and the insult offered to the men of this House, or possibly to some charming old ladies, to whom we were compared; but I want to address myself particularly to the following, speaking of the gentleman from Ohio [Mr. COOPER]:

He is not that type of a dry who goes to the wash room, takes a drink of liquor, and then goes back on the floor and votes dry. He is honest. There are a few of that type left.

Mr. Chairman, the gentleman has been a Member of this body sitting here for five legislative days. I do not recall that there were any wet or dry votes during that time, and yet the gentleman makes a statement of which he has no knowledge and which is a reflection on every Member of this House, wet or dry.

I ask the Members of the House, those who have been associated with me for the last 12 years, whether they know of instances where any of the Members retired to the cloak-

room or retired to the wash room to take a drink before a vote was to be taken on any subject. He has designated each and every one of us either as toters of flasks or else intimated that there is a plentiful supply of liquor on hand in the wash room.

Now, Mr. Chairman, after he has been here as long as I have he will begin to appreciate that the men in the House are not as he designates them later, namely, hypocrites, but are honestly and earnestly backing the propositions which appeal to them. I have never heard a wet or a dry in this House impugn the integrity or honesty of any man on the other side of the question. [Applause.]

The greatest evil that has come from the eighteenth amendment is the defeat of many of our former Members, both wet and dry, whose services to their country were of the greatest value, and I deplore that feature of the eighteenth amendment more than all of the other evils it has brought, and the good it has done has been offset because the Nation has been deprived of the services of many very able statesmen.

I say that if this is allowed to go on, and the new Members of the House rise in their places and repeat the canards and falsehoods spread through the land by the sensational press, they will befoul their own nests and, furthermore, they will bring discredit upon this great body, which is the only constitutional body we have at present for the passing of our laws. [Applause.]

So, Mr. Chairman, more in sorrow than in anger, I chide this Member for rushing on the floor in his first five days of service, criticizing the Speaker for his inability to keep order, likening the Members to old women, and casting a reflection upon 90 per cent of the Members of this House, when he says they retire to the cloakroom before a vote is taken on a measure in order to fortify their courage with some of the Dutch product.

Mr. Chairman, it ill becomes a Member of this body to make any such statements when they are absolutely and entirely without foundation. [Applause.]

[Here the gavel fell.]

Mr. PURNELL. Mr. Chairman, I yield 30 minutes to the gentleman from Pennsylvania [Mr. BECK]. [Applause.]

Mr. BECK. Mr. Chairman and my fellow Members of the committee, the course of last week's debate must be somewhat disconcerting to any thoughtful man. The wide variety of subjects that were discussed gave little indication of a unity of purpose, which should characterize the Congress of the United States in one of the gravest crises of all history, and, in the second place, the shadow boxing of political polemics, which also marked that debate, gave little ground for encouragement that in this supreme crisis of civilization there will be any disposition, such as there should be, to subordinate questions of mere party politics to the great task, to which, under the providence of God, this Nation seems to be destined in the critical years that are ahead of us.

If I may commence with some good-natured raillery, I would say that even from the standpoint of entertainment the debate also proved somewhat disappointing. I never saw such impenetrable gloom as fell upon the majority after the speech of the gentleman from Alabama [Mr. HUBLESTON]. The trouble was a lack of efficient stage management. If the distinguished leader of the majority, in staging his show, had consulted his colleague from New York [Mr. BLOOM], he would have known that in any well-regulated performance it is always desirable to commence in a lighter vein and then have a crescendo of interest until the great climax is sought to be attained. But in this case, with the first rising of the curtain, there was discovered the heavy tragedian of the Democratic Party. [Applause.] It was as though the play of Hamlet with the rising of the curtain disclosed the melancholy Dane and that the first words of the immortal tragedy were:

The time is out of joint, oh cursed spite!
That ever I was born to set it right.

Even Shakespeare's masterpiece could not have survived such "bad theater," to use a theatrical phrase. [Laughter and applause.]

Had our distinguished colleague, Mr. RAINEY, as the impresario, commenced with our witty colleague from New York [Mr. BLACK], and then as a preliminary to the rather tragical speech of Mr. HUDDLESTON had next brought on that admirable example of melodramatic politics, with which his colleague from Alabama [Mr. BANKHEAD] entertained the House, then there would have been the preliminary ground for the final act of the show on that sad first day. Let me say as to the speech of Mr. HUDDLESTON, that if it were designed—and I hesitate to think it was so designed—as an appeal to class passion and to "play politics with human misery," then it was very admirably adapted to that purpose. That could be its only effect, however far it may have been from the purpose of the distinguished Representative from Alabama. It is therefore gratifying to know that when the next day I sought for the speech—which I only had heard in part—in the RECORD, I failed to find it, and day after day I looked for the full text of the magnum opus but in vain, until on Friday I found that either by the volition of the Member from Alabama or possibly by the wise counsel of his colleagues on the majority side, the speech had found its final resting place in that part of the RECORD, the Appendix, where it would be least likely to be read. That reminds me of a story. When King Edward had an operation for appendicitis—and at his time of life the operation was fraught with danger—and when the crisis was successfully passed, there were thanksgiving services in nearly every church in England, and in one of them the pastor, desiring to announce a hymn that by a chance had been printed in the supplement to the hymn book, announced it in this way, "We will now sing 'Peace, Perfect Peace,' in the appendix." [Laughter.] And thus this fiery appeal, as it must inevitably be regarded, to class passion has had its perfect peace in the Appendix, and there may it rest forever. [Laughter.]

In a very different spirit than that of mere partisanship the present Congress should approach its grave duties. This Congress will be one of the most critical in the history of our Government. It approaches far graver tasks than those with which many previous sessions of this body have been confronted.

If 75 years from now an historian attempted to view in retrospect the first 2,000 years of Christian history, I think he would say that it was characterized by four major catastrophes that dwarf all others. The first, the fall of the Roman Empire, which required eight centuries before Europe was again restored to an appearance of stability and order. The second was the Thirty Years' War, which required a full century before civilization was again enabled to resume its normal functions. The third, the period of the Napoleonic wars, lasted some 20 years, and although we sometimes think that Europe was quickly restored, as a matter of fact it was more than a half century before there was any normalcy, to use President Harding's phrase, in Europe. As a matter of fact, following the Napoleonic wars came the revolutions of 1830 that swept through Europe, and the far greater upheaval of 1848.

The fourth of these major catastrophes since the birth of Christ is the World War with the attendant crisis through which civilization is now passing. The present economic collapse is the inevitable aftermath of the greatest war in history. In its implications upon all forms of government it is more serious than the World War itself.

The World War was a majestic struggle, physical and moral, between great nations, but this economic crisis is a deadly paralysis that is attacking all civilization, and the end of it no one can safely predict.

Certainly, with nations dissolving in disorder and ruin, with 18 nations having defaulted upon their national obligations, with 15 nations abandoning the gold standard, with the fires of revolution springing up everywhere, so that revolution succeeds revolution, almost treading upon each other's heels, it can not be gravely questioned by any think-

ing man that the world at the moment is in a far graver condition than it was when Europe shook under the thunder of millions of men in the terrible years of 1914-1918.

The thought that it seems to me should be uppermost in the minds of the Congress is that the one Nation that can possibly stabilize—and it will be the work of many years—a distracted and disorganized civilization is our own.

If we can not afford hope to the world, then, seemingly, there is no hope.

We were, in our great epic beginnings, in a sense the liberator of mankind, in that we gave those liberal ideas which, until the World War, so largely influenced the affairs of men. We were in a sense the pacificator of the world when we put out in 1918, by the valor of our armies, the mighty conflagration which threatened to destroy all Europe; but now a far graver task awaits us—that of being something more than either liberator or pacificator. The task awaits us that by wise statesmanship, unless western civilization is to perish, we must do our part in stabilizing a completely disorganized economic civilization.

I remember once talking with Lloyd George, and he made a remark to me that I shall never forget. He said, "Mr. Beck, Europe could have stood three years of the war and recovered. The fourth year was fatal." And it may be that the future will vindicate that rather tragic prophecy of that statesman who, if he is not always profound, has yet a very brilliant and acute intellect; at all events, it is a serious question whether or not western civilization, so far at least as it is represented by that European civilization of which we are a part, although a distant part, will survive the tragic consequences of the greatest war in history.

This leads me to a question, to which I challenge the very earnest consideration of the House: How is the United States to render the great part which, apparently, the God of nations intended it to play in this great crisis? We can do so, in my judgment, only if in the matter of foreign affairs we stand by the President. Please observe that I say "the President," and I am saying this as a friendly admonition to the gentlemen on the Democratic side of the aisle. You have a confidence, and it may be a confidence justified under present conditions, that the next President of the United States will be of your party. A great deal may happen between now and the ides of November, and I will not put my speech on a political plane by discussing how far your confidence is justified or otherwise; but I do agree, and I think it is an undoubted fact, that your party has to-day a possibility of electing the next President, which everyone must take into consideration. Therefore my plea is not for the present President of the United States, but for the President of the United States, whether he be as now a Republican or in a few years from now a Democrat. There can be no real influence of America in world affairs unless in the matter of international relations there be a generous support of the President of the United States, whether Republican or Democrat, in that which he sees fit to do in attempting to have this country play its destined part in international relations upon this wide and universal theater of man.

That is quite in accord with our constitutional form of government.

I was somewhat surprised that so eminent a lawyer as my friend from Texas, Judge SUMNERS, should have raised this question of constitutional power in his speech of last Friday, and while I am not going to discuss that at any length, because I understand my colleague from Massachusetts [Mr. LUCE] intends to reply to the soundness of Judge SUMNER's argument, I want very briefly to suggest to the House this fact in American history. Prior to the Constitution of the United States there was no Executive, and all foreign relations were the exclusive prerogative of the Continental Congress, and, as a result, we had easily the worst conduct of foreign relations in our history, and all that saved this country from pitiful disaster in its War for Independence was the fact that we had in Paris a wise and great statesman and diplomat in the person of Benjamin Franklin. Without Franklin our foreign policy would have been

one of extreme ineptitude and folly. That was recognized by the framers of the Constitution, and while in the Constitution they said little textually with respect to the powers of the President in foreign affairs, yet when they said, not merely that he should negotiate treaties by and with the consent of the Senate, not only that he was to appoint our ambassadors and receive foreign ambassadors and ministers, and thus be the appropriate organ of communication with foreign lands, but, far more, when the Constitution vested the "Executive power" in a President of the United States it conferred a great power.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield for a question?

Mr. BECK. I would gladly be interrupted a little later, if the gentleman will pardon me, for if I once lose the thread of what I am saying, I might find difficulty in picking it up again. I don't want to be discourteous to the gentleman.

Mr. SUMNERS of Texas. Oh, not at all.

Mr. BECK. I would rather not yield at present.

The Executive power was the biggest grant of power in two words in all the Constitution, and it can only be explained by reference to the Executive power as it existed at that time. At all events, from the very beginning of the country, the practical interpretation of the Constitution—for the Constitution itself was but a working plan, the superstructure of which successive generations had to build on the ground plan of the great architects—the practical construction of the Constitution has been that, subject only to the clause that a treaty which permanently commits the United States to a policy must have the consent of two-thirds of the Senate, and that no war can be declared unless the whole Congress shall support such a declaration—with those exceptions the practical administration of the Government has been, and wisely been, that the President, by virtue of the executive power, is the appropriate organ to confer with foreign nations governing their relations with us. Washington himself set the precedent, because when the Jay treaty came back to America and there was a storm of dissent, Washington was asked by this House to submit to it all the communications that had passed between him and the British Government, and Washington, in a message to this House, which I have not the time to read, but which I shall venture to incorporate in my remarks, made, as I recall, the one reference that he ever made to his great participation in the Constitutional Convention, and said in substance that he declined to submit such papers, as he knew, as a member of the Constitutional Convention, that the executive power clothed the President with the power to negotiate and conduct our foreign relations.

He said in this message of March 30, 1796:

* * * Having been a member of the general convention and knowing the principles on which the Constitution was formed, I have ever entertained but one opinion on this subject; and from the first establishment of the Government to this moment my conduct has exemplified that opinion—that the power of making treaties is exclusively vested in the President, by and with the advice and consent of the Senate, provided two-thirds of the Senators present concur; and that every treaty so made and promulgated thenceforward became the law of the land. It is thus that the treaty-making power has been understood by foreign nations, and in all the treaties made with them we have declared and they have believed that, when ratified by the President, with the advice and consent of the Senate, they become obligatory. In this construction of the Constitution every House of Representatives has heretofore acquiesced, and until the present time not a doubt or suspicion has appeared, to my knowledge, that this construction was not the true one. Nay, they have more than acquiesced; for till now, without controverting the obligation of such treaties, they have made all the requisite provisions for carrying them into effect.

He concluded:

As, therefore, it is perfectly clear to my understanding that the assent of the House of Representatives is not necessary to the validity of a treaty, as the treaty with Great Britain exhibits in itself all the objects requiring legislative provision, and on these the papers called for can throw no light, and as it is essential to the due administration of the Government that the boundaries fixed by the Constitution between the different departments should be preserved, a just regard to the Constitution and to the duty of my office, under all the circumstances of this case, forbids a compliance with your request.

His right to refuse to submit his confidential negotiations with foreign nations assumed his right to conduct them. It is a very interesting fact, and one that we may have occasion to remember hereafter, if we do not now support the President in his attempt to extricate America and, indeed, all civilization from the morass of disaster in which it now finds itself, that when the American people at first distrusted any President in his conduct of foreign relations, they afterwards found in most instances that the President was right, and that they in their temporary opinion with only partial knowledge of affairs, were wrong. The Jay treaty came back to America, and a perfect storm of dissent was raised, and it is humiliating to me to recall that in my own city of Philadelphia a thousand men hooted George Washington to his dwelling place because of his espousal of the Jay treaty. Yet when the storm had passed away the surpassing wisdom of the Jay treaty in saving our country from a war with England in our infancy was beyond any question.

Again, when Jefferson acquired Louisiana, he told his commissioner to buy it for \$15,000,000, and there was then a storm of dissent, not merely as to the policy of taking that great trans-Mississippi region but also as to the power of the President to negotiate for the purchase, and yet the gentlemen on the Democratic side, who represent great sovereign States that were carved out of the Louisiana Purchase, must recognize to-day that Jefferson, in what was a crisis for continental America, was right. When France would not pay the French spoliation claims, Jackson issued a declaration so aggressive and militant that its only justification was the unwillingness of France to pay what she had agreed to pay. France withdrew her ambassador, and we in turn dismissed her ambassador; but when the storm had died down again the policy of the President had its ample vindication in final results. France paid.

Lincoln was criticized and his policy doubted when he acquiesced in the return of Mason and Slidell to the British Government, and yet we know now that but for the wisdom of Lincoln overruling Seward we might have found ourselves in a serious situation. Let it also not be forgotten that one factor in the peaceful solution of this controversy was the forbearance and generosity of the Prince Consort of England, whose dying act was to prevent such a message from Lord John Russell as would have inevitably meant a war with the Union at a time when we were incapable of defending ourselves because we were in the midst of a civil war. The wisdom of Lincoln was again justified.

Perhaps one thought may have arisen in the minds of the gentlemen on the majority side of the aisle. They will say, "Did the Republican Members of Congress support Mr. Wilson in the matter of the League of Nations?" That is a fair challenge. Let me, therefore, briefly speak upon that point. There were many of us, and I was one, who did question the policy of Mr. Wilson during the two and one-half years when he was committed to a policy of neutrality. I believed then, and I believe now, that had we gone into the war after the sinking of the *Lusitania*, not only would we have saved civilization but we would have saved many human lives and an immense loss of property, because at that time Russia had not crumbled, and our entry into the war would have been the beginning of the end. But from the moment that President Wilson gave to the Congress of the United States his immortal declaration of purpose to declare war there never was among the Republican Members of Congress the slightest hesitation, but in the most ungrudging way, as testimony was given in the debate last week, we supported the President to the limit. [Applause.] If it be to the immortal glory of Woodrow Wilson that he led this country successfully into the greatest war in history, and proved its determining factor, he would be grudging, indeed, and wanting in generosity if he did not recognize the cordial cooperation of the Republican Party. Then all were for the state and none for party.

Two things unhappily followed. First, our reward was for President Wilson, when there was this moratorium on politics, to issue a call demanding the return of a Democratic

Congress; and we would have taken the blow on both cheeks if, with such challenge to party spirit at the very time when we had subordinated party spirit, we had not taken up the challenge.

But even then we supported the President in every war measure until his proposal to implicate us permanently in the entangling relations of Europe by participation in the League of Nations. Let it not be forgotten that when he attempted that he not only knew that more than one-third of the Senate had said they would never consent to such a treaty, but when he came back from Paris and made his first speech in this country he arrogantly said to the American people and the Congress of the United States that he had so interwoven the League of Nations covenant with the peace treaty that we no longer had any power of opposition or resistance and had to take his proposal that we should be a permanent part of European politics, because the only alternative was a continuance of the war. Nevertheless, we did not support the President in the matter of the League of Nations. There were many patriotic Democrats who supported us in that stand, and certainly the people of the country sustained the Republican Party by an overwhelming majority. Their decision was a just one, for the last 11 years have indubitably shown that America can play a far greater, a more beneficent part in the tangled affairs of civilization by remaining outside of the League of Nations and as each recurring crisis arrives decide what it can do as its contribution to civilization than if she had sent a representative to Geneva and asked that the faith and power and credit of the United States should be compromised by every little quarrel that might arise. [Applause.]

All of our history has demonstrated the practical wisdom of our recognizing that the President, in matters of foreign affairs, has a peculiar function, and that without that function there could be no unity in the foreign policy of the Government, and that without such unity of purpose our ship of state would drift upon the great ocean of world politics without chart or compass.

Some of you may recall from more than one of my modest addresses on the floor of this House that I have never been one of those who believed in the aggrandizement of the President. I have at times differed from him in some of his domestic policies. I believe there has been an unhealthy accretion of power in the Executive under the administrations of both parties. In the matter of domestic policies it is not only our privilege to differ with him, but it is our solemn duty, because the Constitution made the Congress of the United States the great council of the Republic. [Applause.] We determine the policies of the Nation with respect to internal affairs and we determine the methods by which such policies shall be carried out, and the President is but the first servant of the state in executing the will of Congress. But it is not so with foreign affairs, except to the extent I have indicated, that a treaty must be ratified by the Senate and that only war can be declared by Congress. With that exception, if the Republic is to play the part that George Washington intended, if it is to afford to all mankind, using the words of his farewell address, "the great and too novel experiment of a nation always guided by exalted benevolence and justice," whether the original text of the Constitution expressly so provides in words or not, there must be an institutional policy of the Congress that in matters of foreign affairs it will support the President of the United States, except where there may be some question of fundamental importance which would affect the whole form and character of our Government.

[Here the gavel fell.]

Mr. PURNELL. I yield to the gentleman from Pennsylvania 10 additional minutes.

Mr. BECK. I am like a man trying to jump over a hill. I have taken too much time in the preliminary run, because I want to apply that which I have been saying in general to the question of the debts. Of course, that is the particular application of the moment, but I am afraid I shall have too little time and possibly must ask some further occasion adequately to express my views on that serious question.

To make the application briefly, to be expanded later, we are told that when the President of the United States, having informally taken the judgment of a large majority of the Senate and the House, proposed a moratorium for one short, fleeting year—and that moratorium of such importance that if it had not been granted, there would have been a crash in the financial world that would have overwhelmed not merely the peoples of Europe but the people of this country in far worse disaster than it is in even now—I say to charge that when he did that he in some way was wanting in due recognition of the limitations and functions of his great office is incorrect, and I deny it.

How could the President, in view of the economic crisis that was presented to him, do otherwise than confer with foreign powers to see whether they would be disposed to temporarily forbear pressing their debtors if we showed a like forbearance to them? He said it was to be subject to the approval of Congress, and maybe technically he was required to do so; but the fact remains that with scrupulous regard for the constitutional proprieties he proposed the moratorium, and his wise action is now assailed.

In doing so, undoubtedly, he was only proposing a temporary palliative. In the beginning of my speech I considered, with design, the long periods of time that were requisite to recover from the three great preceding catastrophes of civilization, because, in my judgment, the man is not living in this Chamber who will see the ultimate results of the economic crisis which the destructive World War has inflicted upon humanity. Therefore, we must build ahead and must consider what can be done to lift the cloud from the economic world and pull civilization out of its present rut.

I am not in favor of canceling the debts. I think it would be unwise, from the standpoint of international credit in the indefinite future, for us to formally cancel the debts. I am not aware that our debtor nations have in any official way asked us to do so. But there is a vast difference between the canceling of debts and forbearing to press them when your debtor is in a condition of absolute helplessness in the matter of payment. Therefore, we adopted a policy worthy of President Wilson's peace policy, and it was one of the finest points of his foreign policy that at the treaty of Versailles he refused to take one inch of soil from the conquered nations or to participate in the somewhat ignoble division of territorial spoils. Following that policy, which did him and his Nation infinite credit, we adopted in the succeeding administration the policy that the debts due us should be paid to the extent of the capacity of the nations to pay.

Who is going to determine that capacity? This Congress? What facilities has it to do so? It has none. If it decided it, could it do it with any reasonable unity of purpose?

Assuming that the Congress is not bound under the Constitution by the President's action in this particular international relation, yet nevertheless the wise policy of our country is to give to him a very generous and broad discretion in determining what is, after all, a matter of detail, the question of a temporary forbearance in the payment of these debts.

We will hear a great deal on this subject, and much bitter language has already been uttered and much more bitter is probably to follow, but nevertheless let us remember this, that America can not fulfill its manifest duty unless we stand by the President. I do not know whether President Coolidge ever said it; I do not believe he did, although it was imputed to him; but he is quoted as once saying of the debt problem:

Well, they hired the money, did they not?

Yes; they hired the money, but that is no answer. Shylock, when challenged on the validity of his bond, could have said as much to Antonio.

So it is not a question of the legal obligation of debtor nations to pay but of their moral obligation to pay if they are unable to pay, because you can not get blood out of a stone, and with nations whose industries are disorganized, whose wheels of trade are hopelessly stuck in the mire, to

take a harsh and repellant attitude toward those nations would reflect, in my judgment, lasting discredit upon this country and would be quite unworthy of that generous policy of President Wilson, to which I have already referred in the matter of territorial division of Germany's colonies. But it will be said, and I hope you will give me time for this final thought, why, all this final talk of forbearance is for the benefit of the international bankers, and we will probably have the changes rung on this subject throughout the session.

Let me tell you, what in my judgment, the situation is in respect to that. There are three classes of international bankers, so called.

The first class were wise and far-seeing men who after the end of the World War perceived that the only thing that would save the economic structure of European civilization was a transfusion of blood in the form of credit. It was exhausted, prostrate, bleeding, and almost dying. We had banks overflowing with money, and therefore these bankers did make many investments which, probably, to-day they may regret, to infuse new credit into the veins of what otherwise might prove to be a dying civilization. This is to their credit, even if it proves but another contribution of America to the salvation of the world.

In the second place, there are a number of so-called international bankers whose vision does not go much beyond the Bronx and who, with a mad idea of reaping high-interest rates, did peddle the moneys of the United States in every part of Europe, without discrimination or reason. These were generally the great banks of our leading cities, and they believed in good faith that they were acting for the advantage and profit of the stockholders of their banks and, generally, the commercial interests of the country. There was, however, a third class of private bankers who floated these foreign loans with no higher thought than the one to obtain the banker's commission and to float the securities upon the country. They have a very heavy responsibility. Some of them may have erred more in ignorance than in cunning. Some of them erred in cunning, and these adventurers, who had no higher motive than ignoble gain, are the third and least defensible class.

I can mention one international banking house, and lest I be misunderstood, it is not at Broad and Wall—that to my knowledge went through Europe literally forcing, and when I say forcing I mean pushing as one pushes a marked card, loans upon municipalities and corporations in Germany, with no thought of the future and with absolute indifference as to who should bear the loss if Germany should collapse.

These international bankers, whether they acted wisely or unwisely, whether they acted selfishly or unselfishly, represent billions of dollars that are now in the possession of the American people. If you destroy Germany's ability to repay, you will not hurt them half as much as banks, large and small, throughout the Nation, which have these securities to the tune of many billions of dollars.

[Here the gavel fell.]

Mr. PURNELL. Mr. Chairman, I yield the gentleman 10 additional minutes.

Mr. BECK. At all events, whatever the merits or the demerits of these international bankers may have been—and how could our economic machinery function without international bankers—the fact remains, and I invite the attention of the majority of the House to it, that if this House by failure to support the President, as he attempts to pull some order out of chaos, destroys the ability either of foreign governments to pay us, when possible, their obligations, and also their minor governmental entities, like cities and business enterprises to pay us, you will have inflicted a disaster upon America to which the present crisis will compare as a spring zephyr to a cyclonic storm on the plains of Nebraska.

You can not ruin the so-called international banks without bringing irretrievable disaster upon the whole body of the American people, because we are so interlinked, economically, with banking and railroad and other instrumentalities of commerce, that if you strike a blow in one place, it will be felt from the crown of the head to the foot. Therefore you can not simply dismiss the matter by saying, "Let the

international bankers take care of themselves." It is all part of one problem the national debt due us, the debts owed by business corporations and municipal subdivisions of those foreign nations to us, and all of it must be worked out in order that credit may be restored, and if credit is to be restored, it must be restored in Europe before it can ever be really restored here, because, whether we like it or not, we are a part of a situation world-wide in extent and beyond the power of any one nation to solve.

I am one of those who believe that it may become the part of wisdom, but this we must leave to the sound discretion of the President, whether he be a Republican or a Democrat, to adjust both Government and non-Government debts in a manner that will inflict the least loss to investors and more quickly and effectually restore the prosperity of the United States.

Mr. BLANTON. Will the gentleman yield?

Mr. BECK. Certainly.

Mr. BLANTON. Is the radio speech which the gentleman is to make to-night, and to which we all expect to listen with interest, to be made on the subject of supporting the President?

Mr. BECK. No.

Mr. BLANTON. I understood that the gentleman was to speak to-night in behalf of the American Taxpayers' League or under its auspices.

Mr. BECK. That is right.

Mr. BLANTON. Are the subjects interrelated?

Mr. BECK. No; there is no connection between what I shall say to-night and what I am trying, ineffectually, to say here.

Mr. BLANTON. But the question of standing by the President in this instance does relate to taxation.

Mr. BECK. Oh, no, no.

Mr. BLANTON. That must follow as a corollary.

Mr. BECK. Not at all. The question of taxation is one of the domestic problems of the United States, but I beg my friend not to interrupt me further.

Mr. BLANTON. I shall not anticipate the gentleman's speech to-night. But later I shall have something to say about the American Taxpayers' League. If money now due us is not paid, it is only by taxation that we can get money to replace it.

Mr. BECK. Mr. Chairman, I have already trespassed far too long upon the patience of the House, and in conclusion I shall say only this, that in this matter—not of canceling debt but of forbearing to press the nations that are prostrate—it is well for us to remember that the "quality of mercy is not strained." There can not be any adequate solution except by acting through the one appropriate organ that the Constitution of the United States provides. If we fail to support the President, political chaos will inevitably result and the economic structure of civilization may fall into cureless ruin. If the President of the United States, with his knowledge as President of conditions in Europe—and I am not referring to him personally but to the exceptional knowledge which any President has and which Congress can not have—pulls one way and we pull another, and we deny to him that just and generous discretion in the arduous and almost impossible task that confronts him and will confront his successor, then the world will regard this Nation as having little of that unity of purpose or that effectiveness that is proportioned to the magnitude of its potential resources. So I plead with you, let us subordinate politics in this matter of international relations. Let the best men of both parties say to the President, this hard-working President, who in this crisis has given his all and his best to his country, We will stand by you. He may not do the wise thing at the moment, but at least he is entitled to feel that he has the united country behind him. [Applause on Republican side.]

If he has such support, I am so convinced of the great prestige of the United States that I believe, as far as I can see into the future, whether it be 5 or 25 or 50 years, that the United States will add to all of its immeasurable contributions to the welfare of mankind the supreme glory of

having found the world in a state of wreckage and of having lifted it from that wreckage to that former plane of prosperity and well-being that preceded the World War. Ah—

The quality of mercy is not strained;
It droppeth as the gentle rain from heaven
Upon the place beneath: it is twice bless'd;
It blesseth him that gives and him that takes:
'Tis mightiest in the mightiest; it becomes
The throned monarch better than his crown;
His sceptre shows the force of temporal power,
The attribute to awe and majesty,
Wherein doth sit the dread and fear of kings;
But mercy is above this sceptred sway;
It is enthroned in the hearts of kings,
It is an attribute to God himself.

I have quoted Shakespeare, but let me remind you of a parable which a greater Teacher once spoke, in which he likened the Kingdom of Heaven to a certain king who would take account of his servants. One was brought who owed him 10,000 talents who had not wherewith to pay, but who, falling on his knees, besought the mercy of his lord. Whereupon the king, moved by pity, forgave him the debt. But this same servant went out and found one of his fellow servants who owed him a hundred pence and, laying hands on him, demanded payment of the debt. His fellow servant fell at his feet, beseeching mercy, for he could not pay. But the first servant would not be patient, and cast his fellow servant into prison until he should pay the debt. But when the lord saw this deed he called the servant before him.

Then his lord, after that he had called him, said unto him "O thou wicked servant, I forgave thee all that debt, because thou desiredst me:

Shouldest not thou also have had compassion on thy fellow servant, even as I had pity on thee?"

And his lord was wroth, and delivered him to the tormentors

And if we are true to the God of nations and the God whose providential powers have been so manifested in our own history, then we will subordinate all questions of party advantage or consideration and as one man we will fall behind the President as the leader of America in international affairs and hold up his hands in his attempt to restore a nearly destroyed civilization. [Applause on the Republican side.]

Mr. Chairman, I did promise to answer a question of the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. I am going to have two minutes of my own time, and so I will not want to ask the gentleman from Pennsylvania the question I had in mind.

Mr. RAINEY. Mr. Chairman, I yield two minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Chairman, the gentleman from Pennsylvania [Mr. BECK] has indicated that some gentleman from Massachusetts is to reply to my remarks of Friday last. At this time I shall take only a couple of minutes. May I say to the gentleman from Pennsylvania that I agree, of course, as we all do, that it is the business of the President to negotiate treaties. The answer then on that point is that this is not a treaty being considered now, otherwise the matter would not now be considered in the House. I agree with him that we ought to follow the President in all matters having to do with Executive responsibility. My reply to that observation is that the Congress of the United States has definitely declared its position in regard to these foreign debts, and by that declaration fixed the duties of the President with regard to these debts. He is the Executive but not the Government. If the President, any President, decides that to execute the will of the Congress, as expressed, would be hurtful, his duty is clear and his power ample to submit his views to Congress, take its judgment afresh, and if the Congress agree with the President, he can then proceed constitutionally in harmony with the plan and the common sense of our system of government. [Applause on Democratic side.]

I agree with the gentleman that we should support the President in his field of responsibility, and I agree that we should not be petty with regard to incidental crossings over the line. I agree that we ought not to quarrel with the President unless something fundamental is involved, but I say that when you come to deal with the revenues of a

country, you are dealing with the most fundamental thing in government. He who controls the purse strings of a nation controls the nation. The wisdom of the ages has shown that it is not a proper privilege or prerogative or power of an executive. That is settled. It is so fixed in our constitutional system. The gentleman from Pennsylvania says he does not favor extending by encroachment the power of the Executive. I agree with the gentleman. I am not in favor of extending it and the public revenue either by encroachment of the Executive or by surrender of the Congress. It will not do. Experience in government has demonstrated the danger. We are not dealing with theories, we are disregarding the instruction of experience. Instead of letting this go along and establish a precedent, thus adding to further abuse, it is the solemn duty of the legislative branch of the Government to support, sustain, and defend and to hold to itself as trustee for the generations to come those constitutional powers and prerogatives which the framers of the Constitution lodged here and not with the President of the United States. [Applause on the Democratic side.]

Mr. RAINEY. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, I was deeply impressed with the histrionic manner of the gentleman from Pennsylvania [Mr. BECK], who started out with the fall of the Roman Empire and wound up with the destruction of Europe, unless we agree to the moratorium. I shall not get into a controversy with him as to whether the fall of the Roman Empire was one of the four great catastrophes of the world, because we could spend weeks in debate here as to when it fell and where it lit, and all that sort of thing.

Let us not get mixed up on that kind of thing. The gentleman from Pennsylvania has gone back too far in order to get the soup, as the Irishman said when they offered him oxtail soup.

The gentleman said there was a pall of gloom settled over the faces of the Members on the Democratic side of the House after the gentleman from Alabama [Mr. HUDDLESTON] made his speech the other day. After the brilliant portrayal of the desperate condition of the country, of the desperate condition of nearly 10 per cent of this country being without work and without resources, and of the desperate condition of the agricultural interests and business interests of this country after 11 years of Republican rule, it was a gloom which the Democrats naturally felt, in sympathy for this country when it remembered that it had to have at least another year of that same rule. [Applause.]

The matter that gave us gloom was that matter.

Now, I want to disabuse the mind of anyone who may have any doubt about my position on this moratorium. It is already granted, and in conformity with my judgment of what was best to be done, when I was asked whether I would support it or not in June, it looked to me as though it was the proper thing to say to the President, "We will back you. You use your best judgment." And I am doing so. There is no question about my loyalty to my party when I say that I expect to vote for it. Therefore I am not to be considered as one of those who is baiting the President.

My friend from Pennsylvania also very artfully brought in the fact that President Wilson in 1918, although he had adjourned politics, asked for a Democratic House. I may remind the gentleman that in that same communication one Herbert Hoover joined. So if it was treason in President Wilson it was treason in the present President of the United States. [Applause.]

He not only did that, but he supported this heresy known as the League of Nations. Mr. Hoover was in favor of that. So we are not so far apart.

But I want to talk about some practical things. Did you know that the farms of this country are being sold every day by the institutions established by this Government and people are being driven from their homes because they are unable to make the payments that are required of them? We should do something for these people when it comes to moratoria, and I am in favor of doing something for them.

I want to know if my friends on the minority side are likewise in favor of doing something for them.

Mr. STEAGALL. Will the gentleman yield?

Mr. STEVENSON. I yield.

Mr. STEAGALL. I might add in that connection that the farmers of this country are standing by their contracts and undertaking to pay all they ever contracted to pay, and they have never asked for any reduction. [Applause.]

Mr. STEVENSON. Yes. They are not asking to have it cut to 50 per cent. The farmers are entitled to some consideration as well as the Dutchmen and the Frenchmen and the Englishmen. Now, they propose to do it. We have bills before us already, coming from the administration, and they propose to create two or three more great boards at \$12,000 a year, appointed by the President, to function as the Federal Farm Board has functioned and the Federal farm land banks have functioned, and all the other boards and commissions, exercising all of their authority and forgetting the man who is being sold out, when it comes to the crucial date, in front of the courthouse door. Why, gentlemen, talk about the farm business! My friend from Kansas said the other day it was because we had overproduction. If the President of the United States would require all the commissions he has appointed on everything, from the commission on Haiti up to date, to eat American wheat bread, they would have eaten the surplus before this time. [Laughter.] If he had required all of them to wear cotton underclothes, including cotton nightshirts, the cotton surplus would have been gone before this time. They would have done a great deal more good than they have done by any of their other performances. But I say to you that this matter of the appointment of boards is one which is becoming nauseous to the people of the United States, because they see so many people elevated into positions of power and trust who do not carry out their trusts. For instance, take the Federal Farm Board that was created and appointed by the President. I do not say that the law is not all right. I voted for it. But the board that was appointed was a set of incompetents, and I do not hesitate to say so.

Ladies and gentlemen, when it developed that we were going to make a big crop of cotton, their advice was to plow up and destroy every third row of cotton. I could take that board and the evidence of their operations about this question of surplus before a jury of the District of Columbia and I could get a verdict committing them to St. Elizabeths as being incompetent if the jury reflected its proper and normal conclusions. [Applause.]

That is the kind of boards we have got, and now we are offered more of them to help the people some more. I am in favor of helping the folks, but I want to know something about who is going to administer the laws this time.

Again, take the wheat business. When Mr. Kelvie from Nebraska, who had never grown a bushel of wheat, who was one of these newspaper wheat editors, was appointed; he put all the money, or a great deal of it, into cooperatives with which he had been connected. They rigged up a lot of cooperatives to compete with the farmers' cooperatives, and instead of producer-owned cooperatives handling the wheat situation, the newspaper farmers with their cooperatives handled it, and the thing has been a complete debacle.

The other day my friend, Mr. STRONG of Kansas, talked about the tariff on wheat and the tariff we must have on it. Why, gentlemen, as a matter of fact, under the administration of this beneficent Farm Board, wheat is sold for less than the tariff on it. If you had brought a bushel of wheat in here from Canada at times you would have had to sell the wheat and pay 10 cents more on account of the tariff on it. That is what you would have done. That is the kind of a board we are getting, and the farmer has been getting it in the neck.

I submit this to you: I think we need some legislation that will amount to something, that will give some relief, that will give a little moratorium to the fellow who is tied up, who has put up everything he has and is about to be sold out. We should do all of that before we begin to give a moratorium to Europe, and I am in favor of it.

Well, you say, what is the matter with the farmer? What is the matter with the whole country? Why, the matter is this: The people in foreign countries can not buy from us. Why can they not buy? It is because all of the gold has flowed here, and that was all they could buy with.

My friend said he would like to know what the tariff has to do with the farmer.

[Here the gavel fell.]

Mr. RAINEY. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. STEVENSON. The tariff is such that the Chinaman and the Indian, 700,000,000 of them, in buying our products can not pay us with their goods. They can not buy our goods because they can not pay us with their goods. Their silver has gone down to about one-third what it was, and when they go to buy exchange in dollars it takes three times as much silver now as it did two years ago, and they can not buy our stuff because they can not afford to pay three prices in their money for what they buy and what they use. The result is they can not buy. Their gold has already come here and it is concentrated. The same thing applies to Europe very largely. When an English merchant buys a bill of goods from New York and wants to pay for the goods he can only get \$3.75 for his pound where it used to be worth \$4.86. That increases the cost of his goods to such an extent that he does not buy from us and he can not. It is the same with all of Europe. For that reason they are not buying our stuff and they will never be able to do it so long as that discrepancy exists. The farmers who produce and those who convert his products into articles of manufacture can not sell their goods. They can not sell the manufactured articles nor can they sell the raw products abroad. The result is we are confronted with a condition that is unspeakable and has become more so for the last eight or nine years.

Oh, our friends say it is a world condition. Well, I will guarantee that if Al Smith had been elected President of the United States and he was in the White House now these fellows would say it is Al Smith and not a world condition. That is the answer to them. But it is a world condition and it is superinduced by the inability of the other peoples of the world to buy our goods, and much of that condition has been brought about by reason of the tariff that has been put upon us. Another thing is the concentration of gold here, and that is indirectly the result of the tariff. The concentration of gold here and in France has deprived the balance of the world of the basic money upon which to issue their currency. What is the result? They either have to contract their currency or have currency out that is not good, that does not stand for par, that is depleted to the extent that it is not receivable in foreign countries except at a very low rate. That again brings about an inability to buy our products and do anything to relieve our conditions here.

So I say we are not to be considered as bolsheviks of we ask Mr. Hoover for some reason as to why he has granted this moratorium. So far as I am concerned, I am satisfied with the reasons, but it is not right to accuse a person of being a bolshevik if he rises and says no President can pledge away the money of the United States without the consent of Congress.

They talk about the Louisiana Purchase. My friend over there had a descending climax, to a certain extent. He started out with George Washington, then Thomas Jefferson, Andrew Jackson, and Abraham Lincoln, and he wound up with Mr. Hoover. That was a sort of anticlimax to me. I will not contradict the fact that the gentleman from Pennsylvania is a scholar. He knows more Shakespeare than I know about the Bible and all that kind of thing, but when he is so indiscreet as to undertake to set up in a row Washington, Jefferson, Jackson, Lincoln, and Herbert Hoover, he makes an anticlimax and he makes the President look exceedingly small in this House and country. [Applause.]

Mr. RAINEY. I yield 20 minutes to the gentleman from Mississippi [Mr. COLLINS].

Mr. COLLINS. Mr. Chairman, after the failure of the Geneva naval conference, 1927, the tension between the

United States and Great Britain increased. The situation was further endangered by the 31-ship bill which was passed by the House but failed in the Senate. The British, as a gesture, delayed the building of two cruisers already authorized. During this period of tension the British-French naval negotiations, which were completely misunderstood in this country, increased the extreme anti-British feeling.

Thus, until Ambassador Gibson's speech at the preparatory disarmament conference in April, presenting President Hoover's determination to bring about genuine reduction and lift the burdens from the war-weary nations, political expediency could not be reconciled with armaments, compatible with security. Europe, thinking in terms of the next war, still remained more or less an armed camp, with a larger trained military personnel and reserves than obtained when the World War broke. Naval programs called for the expenditure of billions of dollars.

The United States attitude, as evidenced by the Gibson speech and the Briand-Kellogg pact, changed this whole situation. Premier MacDonald, of Great Britain, let it be known that he would welcome an invitation from the United States to visit this country. President Hoover immediately invited him.

The visit of Mr. MacDonald, besides making a misunderstanding impossible between the two Nations, was a symbol of the new preeminence of the United States in world affairs. It also was a tribute to Great Britain, as the President had held informal conversations with the head of the nation most deeply concerned about the race in armaments. Directly out of the visit came the London Naval Conference of 1930. No one doubts the wisdom of President Hoover in issuing this invitation, the outcome of which has contributed so directly to the better understanding between nations.

Yet the favorable impression created by the MacDonald record and personality in this country was not shared by all the European countries. France exhibited considerable irritation, refused to regard the visit as a new step toward naval and general limitation of armaments, but as a move in the British desire for an Anglo-American entente, thus enabling the British Labor Party to carry out a policy of breaking loose from continental Europe. France professed to believe that the MacDonald visit was directed against some one rather than a mission to obtain mutual understanding and concerted action in regard to certain international problems.

Mr. Hoover having been so highly successful in his first great international undertaking as President of the United States again entered the international arena by proposing a year's moratorium on intergovernmental debts and reparations.

The British Government first sensed the approaching collapse of the finances of Germany with the resultant effect on international finance. American financiers realized the dangers to this country. The President of the United States, realizing the seriousness of the situation, proposed, on June 20, 1931, a year's moratorium on intergovernmental debts and reparations. Not until July 6, however, was it possible for him to announce that accord had been reached with all important creditor nations.

In the interval what had happened? France, conscious of having won the World War and with a truly pre-war lack of cooperation, protested against the Hoover plan. The delay was fatal to Germany. Almost immediately Great Britain, having made extensive loans to Germany, betrayed financial weakness. Manipulators, not unconnected with France, dealt severe blow to British finances, with the result that in September Great Britain went off the gold standard, followed by several smaller countries. This deplorable state of national and, consequently, international finance, with its accompanying unemployment, affected all countries, including the United States.

An unfriendly feeling against France developed in the United States and still continues. France, conscious of her position as the most powerful state in Europe politically, financially, and militaristically—having the most successful diplomacy of any state since the World War, possessing

the second largest gold supply, the largest army in the world, the second largest air force, the best artificially fortified frontiers, and a contemplated fleet equal in strength to the combined fleets of Germany and Italy—resented the intrusion and the lack of consideration shown her by the United States. Conscious of the enmity existing between the two nations, certain American groups, feeling that personal contact between the heads of the two nations would engender good relations, unofficially suggested to French officials that the French Premier should visit the United States. When Premier Laval stated that he would welcome an invitation, Mr. Hoover invited him.

Yet before the arrival of Premier Laval to the United States France withdrew gold in enormous quantities from her reserves in this country, and the flight from the dollar was in evidence in Europe, without any financial or economic reason but manipulated by a so-called international group with headquarters in Paris. Manipulation for political reasons was strongly suspected. The press openly warned us that the same forces that undermined the pound sterling were now at work on the dollar. Among the things accomplished during the Hoover-Laval conversations were the assurances by Premier Laval that abnormal movement of gold from New York would be stopped.

The Laval visit in October was followed the next month by Signor Grandi, Foreign Minister of Italy, on the invitation of Secretary Stimson. Why did he visit this country? He himself stated that he came to bring "a message of friendship from the Italian to the American people," "to offer the Italian contribution to the common work for the common good," to further "the peaceful cooperation of all nations in the world," and in the Italian Senate last Friday he added that he had made the trip as "a simple gesture of good will." He was desirous of coming, and was invited to reveal the Italian viewpoints and to learn the American viewpoints on such subjects as arms reduction, reparations, the gold standard, and treaty revision. It was an antidote to the Laval visit. The Italian views on most European problems are directly opposed to those of the French. The visit of Grandi offset any suspicion that the United States were taking sides in the Franco-Italian naval controversy, yet has tended to smooth the difficulties which will necessarily arise in the approaching disarmament conference, and should leave the United States in a more advantageous position, as the Italian and United States views on disarmament are in agreement. As no communique memorandum was issued it is extremely difficult to state in detail the exact value of the conference. But President Hoover is to be commended for this diplomatic move in including Italy in the countries invited to the United States. The wisdom of the Grandi invitation may be appreciated and seen in its true light when it is realized that during Laval's visit to this country the Italian Foreign Minister was meeting with German officials in Berlin. He could, therefore, present not only the Italian but the German viewpoint to President Hoover.

This particular phase of Grandi's mission recalls to our mind that there are not only three great powers in Europe but a fourth, namely, Germany. We are reminded that our President has issued three out of four invitations, the last of which was mainly of etiquette. Could it be possible that he inadvertently overlooked this fourth great European power? Does he not realize that it is 13 years since the World War, and that international organization and international good will must be, as its name implies, truly international? Did the President not perceive the joy of the French-American population during the Laval visit and the excitement of the Italian-American population over Grandi's sojourn? Did he not sense the dejection and disappointment of our citizens of German extraction at his failure to so honor a German statesman? The good will and interests of 11,000,000 of our population should not be so lightly disregarded. If courtesy was the basis of the Grandi invitation, surely an invitation is due Germany.

Possibly, however, the topics discussed during the Laval conversations were not of interest to Germany. It was the German press which stated that Grandi would be able to give

Mr. Hoover the latest information about Germany. In Germany at least German interests would bulk largely in the Hoover-Laval conversations. What are the facts? The French desire the cooperation of the United States in a program of reconstruction based upon a recognition of the existing territorial situation in Europe, and a recognition that the peace treaties can not be revised. Laval hoped that the President would implement the Kellogg pact by promising support against a recognized aggressor state, or at least to suspend any economic or political intercourse with such aggressor state. Surely all these questions—territorial status quo, the unrevised peace treaty, and putting teeth into the Kellogg pact—are of supreme interest to Germany.

Disarmament was also discussed. Laval revealed the usual French thesis, that security must precede disarmament and that France intends to maintain its present armaments and its political alliances with the States of Central Europe until the French nation obtains guarantees. This problem, too, is of vital interest to Germany. If France with her present armaments feels insecure, imagine the feeling of insecurity of Germany condemned by the peace treaty to remain absolutely unprotected. It is not to be surprised that Germany has declared that unless the other nations abide by their agreement to disarm that she will rearm. This impending danger could, by itself, furnish topic for an American-German conversation, such as has taken place between Laval and Hoover and Grandi and Hoover. By showing our sympathy with Germany and the justice of her cause, friendly counsel could allay German uneasiness until the other states of Europe awakened a consciousness of their responsibilities and their treaty obligations.

Debts and reparations as well as the moratorium were discussed in the Laval-Hoover conversation. Laval explained to the President the European situation viewed through the French eyes. Yet Germany so far has not been permitted the same privilege nor the same honor. Moreover the agreement in this regard is not very flattering to either Germany or the United States. France received the President's consent to the continuance of the Young plan of German reparation payments, the willingness of the United States to revise, if necessary, the European debt-funding agreements without exacting in return a promise that France would reduce her heavy land armaments and the satisfaction that any proposal by the United States to extend the Hoover moratorium would not be put forward without consulting France—all problems that concern the very life of Germany. It is extremely difficult to understand how President Hoover could really issue invitations to other countries. Since he has blessed the attempt of France to arrange Europe according to her own plans he could have little but meaningless courtesies to exchange with other foreign statesmen.

Have we not been approaching this problem from the wrong point of view? At the preparatory disarmament conference, Mr. Gibson warned "so long as the approach to the problem is based upon old fears and old suspicions there is little hope of disarmament." Has this not been our policy? Could we not assist Germany by showing her more consideration? Germany is a pivotal point in continental politics. It is a great possible storm center in present-day world finance. The critical nature of events in Germany and the importance of Germany in Europe is attested by the events of the past few days.

On what basis has President Hoover decided to reject the German point of view? For what purpose has he failed to take into account the existence of this proud nation and the feelings of 28 per cent of our population? Could we not prevail on the President to send an invitation to the President of Germany to visit the United States himself or to send a representative? At the present time, President von Hindenburg is the one great remaining bulwark against extremists' excesses in Germany. He was nominated and elected by a nationalist bloc, but proved a sore disappointment to his nationalistic sponsors. A fascist coup in Germany would almost certainly shake all Europe. The present structure of European stability is too flimsy to make welcome new shocks. Hindenburg by preventing Hitler obtaining

power by force, although he may do so by constitutional means, has contributed directly to the stability of Europe. An invitation to President von Hindenburg would be most pleasing to the American citizens of German extraction, most acceptable to the Germans themselves, and serve as a prelude to a finer understanding and sympathy in the conduct of international relations. [Applause.]

Mr. HILL of Alabama. Mr. Chairman, on behalf of the majority leader I yield 10 minutes to the gentleman from Arkansas [Mr. GLOVER].

Mr. GLOVER. Mr. Chairman, ladies and gentlemen of the House, I am not going to engage in any political discussion, but I shall try in the time allotted of 30 minutes to give my views on the question that is now before us for consideration, which is the moratorium proposed by the President. This is a question that is being brought out by every reading man and woman in the United States.

We have heard much said this morning in criticism of some of the declarations on this side, and if I should make a statement that is not borne out by the truth and the record, I invite your criticism.

We had here this morning one gentleman on your side, either appointed or self-elected, who is the watchdog of the Treasury and the guardian censor of the RECORD, that denied me the privilege of putting into the RECORD an article in honor of the first President of the United States, who was so ably lauded by our distinguished friend from Pennsylvania, Mr. BECK.

If the gentleman from Massachusetts should devote his whole life to the study of George Washington he could not put into print as much with reference to that great President, George Washington, as this tribute to him did.

Then we had another thing to happen—the gentleman from Pennsylvania criticized our young boy from Alabama, Mr. HUDDLESTON. I do not need to say anything for him, because he can take care of himself anywhere.

We are to-day considering the message sent in the usual way by the President of the United States to the Congress.

We have three departments of government—the legislative, the executive, and the judicial. These three departments of government should ever function, under the Constitution of the United States, separate and apart from interference with each other.

The question of the right of the President to make treaties has been correctly stated here, and the gentleman from Texas [Mr. SUMNERS] this morning very ably answered that by saying that this is not a treaty. He could not make a treaty without confirmation by the other body—the Senate—and that is the reason that it was placed there as a safeguard for the making of treaties.

I agree with the gentleman from Pennsylvania [Mr. BECK] that in dealing with international questions we ought to deal with them fairly, and we ought to follow the President of the United States as far as consistency and safety and the best interests of our country demands, but no farther.

Let us look at the question before us here to-day. I am not placed in the attitude of some of my friends in this legislative body.

I presume that I received the same wire from the President of the United States which each of you received.

I knew that this question was brewing when we were here in Congress assembled before adjournment. You knew it and your President knew it. I ask you and I ask him why, if he can explain to the country—why it was that he waited until the Congress had adjourned and then, in a way not provided by the Constitution of the United States, asked each Member of Congress to commit himself—not for permission to make a treaty but permission to do what? To give a moratorium. That was a matter which Congress had well settled, as was stated by the gentleman from Texas this morning. Congress acted on this, and a settlement was made and the President of the United States had as much right to call on you to give your consent on a question of modification of the prohibition act as he had on this question.

I say to you that this procedure is setting a dangerous precedent. I immediately wired the President myself the same day that I got his message that I did not think his proposition was wise at this time, for the reason that our country was not in a position to carry out this moratorium if we wanted to.

He is not going to be disappointed in me when I vote against this moratorium, because I gave him that information on the day that he gave me his.

The President of the United States says that he initiated this proposition, and that is true. The German Government never initiated it or asked for it even. Whoever heard before of a great nation that had a debt owing to it and before it was due, long before, taking up negotiations with the creditor to keep him from paying? Some of the press is carrying to-day the information that some of these foreign nations were ready and had made provision for paying this debt now, but are being advised by one of the departments of this Government that it is not necessary to do so, that it is not going to be taken now. When you go back and face Bill Jones at home, how are you going to square your actions with that situation? On the other hand, you look in the face of a man and tell him you are ready to give him a moratorium on your debt and let it pass back to him, and then come back and plead that we are facing a \$2,000,000,000 deficit in the United States and ask that taxes be levied on the now debt-burdened public to raise this sum.

I want to show you gentlemen, if I can—and I am honest in my conclusion on this—that it is the proposed moratorium that is one of the things that has hurt business conditions in the United States. Our people are not a set of dumb corpses. They are reading. They know very well, and you are learning now, the trend of this whole matter and what it means. It is not a question of the \$246,000,000 a year payment that would come to us now so much, had it not been for this moratorium, but the agitation goes very much further. Here we come, now, facing this question with another matter of the reappointment of the committee to revise the debts already passed on and agreed to by foreign nations. No man is so blind that he can not see the purpose underlying this whole thing. How has it affected the country? The business men of this country know very well that whatever financial burden you take off the shoulders of England and France and Germany and other nations you are going to lay back on the shoulders of the American business men and American taxpayer, and no man can escape that conclusion. The business world knew that.

The President tells you that money is paralyzed; that about half of it is, and I think 60 per cent, not only paralyzed, but hidden away, and so far as the business relations of this country are concerned it is dead. How are you going to get it into action? Not only that, but the business men see very plain the earmarks of some one else who is to be benefited by this. I don't charge the President of the United States with being in league with the international bankers and working for them, but I do say this, and every man who is capable of thinking knows very well, that the international banker is the man who is going to be benefited by it. Here they are with their billions that are due them. If they can get the United States to step out of the way and roll back its debt, and they get theirs, then maybe the debtor will pay you afterwards, if he can. Not only that, but here is the worse effect it has had upon the business in the United States. You talk about frozen assets and paralyzed money, and money that is hidden away, and the destruction of confidence. What does it mean? Every man who thinks knows that the \$11,000,000,000 that the foreign nations owe us now is involved in this question. I believe as firmly as I believe I am here, and you know it, that if we pass the moratorium now, we will never collect the full amount of the indebtedness that is justly due us. The business world knows that. The business world knows that if you give \$11,000,000,000 more to these foreign nations that the debt burden must come back and lie on their

shoulders and their business. And you come in here with your tax measure and tell them that you are going to do it. Talk about frozen assets! You are going to have them congealed. You are going to make an iceberg out of the finances of America with the procedure that you are starting out on. The business world knows that if \$11,000,000,000 is given to foreigners they must bear that burden. We owe now about \$16,500,000,000 of money for bonds that have been sold to our people.

You are fixing to lay that burden back on the shoulders of the business interests of the country and that is the reason that you are paralyzing it. It is your policy, your frozen policy, your policy that is going to wreck and ruin, as it has almost done now, the business of America. Oh, you have your big meetings over in another country. One of our humorists said last year that if the President was going to have a Cabinet meeting he would have to call it in Berlin, Paris, or London, in order to get a quorum. If the thought and energy that has been put into this had been put into a solution of the business problems of America, would not our condition to-day have been far different from what it is now? What did they do over there? Seven of the great powers got together, sat there and dined—I do not know whether they dined or not; I do not suppose they did—but they dined over there for about 10 days, and passed a resolution which is a wonderful thing. They passed a resolution asking the creditor who had loaned Germany \$100,000,000 for 30 days to extend it for 90 days. That was a wonderful achievement, was it not? God bless you, in America at the same time, our streets and street corners were congested with people going to the banks trying to get an extension on their indebtedness and could not get it. They were asking for that while Germany has not asked you for this. Are you going to take the bread away from your American people and feed some one else in a foreign land?

Much has been said here to-day about the conditions prevailing with reference to money in other countries. That is one of the troubles now, and you see it in the press to-day, that possibly there is going to be a scaling down because a certain nation has gone off a certain standard, and their money will not have such a buying power in the United States. Are you going to try to underwrite the loss of foreign nations? If our Government is committed to a policy of that kind in general, we will be a wrecked nation financially. We will have a nation that will have no confidence in business, and you can not restore business.

The President says that the railroads are in bad condition and that they must have some legislation for help. They certainly are in a bad condition. Something like two years ago I stood on the floor of this House and told you in a speech of some of the conditions that were hamstringing the railroads of the country, that have almost wrecked and ruined them by this time. I speak of the Interstate Commerce Commission, with its power to make rules and regulations, that has absolutely paralyzed the railroads. They have made a rate with a penalty to it; they fixed a rate from every shipping point in a State to every other point, and with a penalty against them if they were to cut their rate in any manner. They should cut loose from that and turn the railroads loose and let them have a chance to run their own business awhile. If you will do that you will help them very materially.

We have heard much argument here to-day about the effect of the tariff. Now, in the time that is allotted to me I can not give you my views on that. I do not think there is a man who is fair and not partisan but who will acknowledge that the last tariff bill is out of joint. It is not a tariff bill that America needs or demands or wants. I am not opposed to a well-balanced tariff. We, as Democrats, were the authors of it, and you have run away with it. What we need in America is a well-balanced tariff bill and a scaling down of rates where it keeps us out of competition or out of a chance of trading with other nations. We need now, which we do not have in the bill, a reciprocal trading relation with other countries. We will have to come to the posi-

tion of Germany, which last week wanted to buy some wheat from us, and Russia owed her money, and she said, "You must take wheat for money."

One of the smartest things which our Farm Board has done is that it traded wheat to Brazil for coffee. If you can not let us have any money, if you are going to adopt a policy that is going to freeze it and paralyze it, then give us some chance to open trade relations with other countries and sell our cotton to them at a price that will permit the continued raising of it.

The President says there is lack of confidence. Well, why not? Who, as a business man, is going to have confidence in the conditions that prevail. It is said that 95 per cent of the business of the world is done on confidence. This is not a partisan measure. We will do everything in our power, working with the President, to try to right conditions that prevail. I want a policy on the part of Democrats, a constructive policy, which will lead us out of this dilemma in which you Republicans have placed us. The President says in his message, and that is one of the peculiar things, that this is a farm-relief measure. That it is going to give relief to the farmers of the country. Do you know that at the time the moratorium was declared cotton was worth 11 cents a pound? You saw it go down to 5 and 6 cents where it is now. Wheat was worth around 40 cents, and it went down to 25 cents. If you call that farm relief, then give us just as little of it as you possibly can. I believe in farm relief. I would like to see a measure passed that would be effective. I think the schedules put into the tariff bill on farm products were a slight help in some respects. Eighty per cent of them are not effective at all, but some of them have been effective. I think we should get together and write a common-sense tariff, well balanced, that the country would have confidence in. Then let us establish trade policies that will restore confidence. The main thing to restore confidence is to let the world know that we are not going to give away \$11,000,000,000 in money that is owed to us, and force it back on the backs of our tax-burdened people.

The Under Secretary of the Treasury the other night made a speech to raise \$800,000,000, and he wants to raise it largely by taxation. I would suggest to him that if we would stop the moratorium where it is now and let them pay this debt he will have almost half of it in cash, which belongs to this Government, and then he can float some bonds like they have been doing, and the world will be glad to take them. The United States will take them. They will all take them.

The President pleads for economy. I am for the kind of economy which he pleads for, but not for that which has been practiced by his administration. In my opinion, Congress was never more reckless in many of its appropriations. You will remember the first fight I ever made on the floor of this House—and I made it single-handed and alone—for economy. If you had heard my words of warning and practiced that you would have been far better off than you are now.

The President does give one feature in his message that is consoling to us. He said the health of the country is better. I guess that is a Republican blessing, but I thought it came from above and not from the White House. [Laughter and applause.]

Here is another hue and cry from the Post Office Department wanting to raise the price of postage on a letter that John Jones writes to his daughter in some other county. Ah, gentlemen, you heard the distinguished Texan [Mr. PATMAN] stand here on your subvention idea and your recklessness in postal expenditure, and he showed exactly what has brought about that condition. I will say to that department that whenever you get out that bill raising postage higher than 2 cents on letters, I am ready to contribute my part in defeating that proposition. The country does not want it. The country will not have it. Bring your expense of operation within the revenue derived from it.

It is not caused by first-class postage. If you want to raise the rates on postage, place the increased rates on something

else rather than on letters. Place it where the deficit comes from and on that class of mail.

There are many other things I would like to talk to you about, but time is valuable and I shall not. I would like to talk to you about the farmers and the conditions from which our farmers are suffering. You remember that in the last session Members from my State and myself stood here and plead with you for a people that was suffering at that time in a drought-stricken area. There they were, suffering through no fault of their own. At first you wanted to lend them a pittance of \$25,000,000, but we persuaded you to give them a \$65,000,000 loan. I am glad to say to you, coming back from those people, that to-day those people are much better off. They were an energetic people and they put forth every effort within their power, so that to-day they have more food for man and more feed for beast than they have ever had before. That is because of the energy that has been put forth by my people. But they have no money and can not sell what they have produced.

I do not see my distinguished friend from Indiana, Mr. WILL WOOD, but you will remember that he stood in his place as chairman of the Appropriations Committee and said that a hunger movement which started at England, Ark., in my district, was a communistic movement. I would like to say to him in the RECORD, if he is not here, that the very people who were relieved by the charity and good graces of those who could help made a great crop, and 15 trucks from England, Ark., were loaded to the brim with food and carried over to Henrietta, Okla., to feed the starving miners. That is the kind of a movement it was and that is the kind of people we have there.

Let us get together on this proposition of restoring confidence in the people, and there is not an argument that will convince them quicker than to say to the American people once for all that this Congress is committed against any further revision of the debts; that that is a thing that is past; that the debts must be paid and not borne by the people of this country. That will restore their confidence. If you force these debts on the backs of the people, then you will be in trouble.

There is another thing suggested in the President's message that I do like. There is a reference in it with regard to home building and the securing of homes. I believe in that. With the disturbed conditions in the United States our agricultural sections will have to take care of more than half of the population of the United States. If we can lend any hand of help to them by way of financing, in buying a little farm, in buying a little home and having credit to pay it off, I am with the President on it. I want to see some policy adopted that will encourage home building. The very first evidence of a good citizen is he who when he is able purchases and owns a little home, in which he can be the ruling king.

What is our condition to-day? We have the greatest crop that was ever made and no place to market it; no price for anything they have to sell.

If I thought the moratorium was the remedy I would support it, but I say to you that my honest conviction is that the suggestion along this line and the now proposed reconsideration of that question is a disturbing feature in our land. Let us silence that alarm by saying we will not do it. There may be enough of you committed to the President's plan of a moratorium to pass it, but I am sorry for you, and I do not know what you are going to say to John Jones when you go home. My people know where I stand. I am not going to have to apologize for breaking faith with the President, because I have never been with him on this proposition, and I am sorry for those who are. If it is the wise thing to do, so much the better. If I am wrong in my contention and you are right I hope the country will get the benefit of it. But I say to you gentlemen that if you pass this bill providing for a moratorium there ought to be an amendment put on it which would say to the world that thus far and no farther thou shalt go. It is now time for you gentlemen to say whom you will serve. Choose you

this day whom you will serve. Will it be the people or the international banks? Will you serve the foreign nations further or will you serve your home people? You have been generous and kind. We have given them \$10,000,000,000. That is, you have; I voted against it. We went over there and sacrificed billions of dollars ourselves which we asked nobody to pay. We have gone over there and sacrificed human lives and shed the blood of the best boys of America in order to pay a debt of gratitude to them and to restore the peace of the world. We have gone far enough. Let us say that America hereafter shall be for the development of America. [Applause.]

[Here the gavel fell.]

Mr. PURNELL. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. LUCE]. [Applause.]

Mr. LUCE. Mr. Chairman, the subject to which I am to address myself has been admirably summarized by the gentleman from Pennsylvania [Mr. BECK] in a remarkable address that should receive reflection on the part of all Members of the House and, indeed, of all thoughtful citizens. It falls to me to take up the more prosaic task of confuting the gentleman from Texas [Mr. SUMNERS] out of the mouths of those who wrote the Constitution and were its contemporary expounders.

The gentleman from Texas on Friday, in the course of his remarks relating to the moratorium, for debts owed to us by foreign countries, said the President—

Had no authority to negotiate, much less authority to act. Neither the Constitution nor the Congress directed or commissioned him to proceed.

And farther on—

The President of the United States had no more authority to do what he did than John Smith or Bill Brown or anybody else.

And still farther on—

If it is not a treaty which he undertook to negotiate, in so far as he presumed to speak for this Government, it was, in a sense at least, a usurpation of power bestowed by the Constitution on the Congress.

The gentleman from Texas is one of the most respected Members of the House, a man we all recognize as eminent in the practice of his profession, and there is no man in the House on either side of the aisle who does not rejoice that inasmuch as his party is to organize the House he is to be the chairman of the Committee on the Judiciary. [Applause.]

But sir, even the ablest lawyers, when not thinking a matter through, have reached wrong conclusions. That is a trait of human nature. Even Homer nodded, and in this instance, the gentleman from Texas, in my opinion, has nodded grievously. He disclosed in the course of his remarks that he had not recently perused the pages of history relating to the purchase of Louisiana. I fear that in the hurry of his tasks here he has not of late reread statements pertinent to this matter by those who framed and those who advanced and those who put into force the Constitution.

I would recall to him that the doctrine of the separation of the powers, wherein I most heartily agree in general with his views, was advanced by Montesquieu in the Spirit of Laws, and had more to do than any one other influence with shaping our frame of government. Montesquieu developed this doctrine in describing the Government of England. In that country never had it been dreamed that anybody save the chief executive, the Crown, should take charge of foreign relations. When our fathers saw fit to form the Government under which we live it was the universal belief throughout the world that foreign affairs were an executive function.

After the Constitution had been framed its adoption by the States was in large measure secured by the publication of the papers that put in one volume came to be known as the Federalist. This volume and Madison's Journal are our most authoritative sources of information as to what the Constitutional Convention meant by what it said. To them we turn for light on such a question as this.

The Federalist was the work of James Madison, Alexander Hamilton, and John Jay, the first two of whom had sat in the convention. I would read for the benefit of the gen-

tleman from Texas and the House what Alexander Hamilton said about the functions of the executive department. It is to be found in the sixth of his papers on the subject of the Executive, No. 72 of the Federalist:

The actual conduct of foreign relations, the preparatory plan of finance, the application and disbursement of the public moneys in conformity to the general appropriations of the legislature, the arrangement of the Army and Navy, the direction of the operations of war—these and other matters of like nature constitute what seems to be most properly understood by the administration of government.

Here a member of that convention, expounding to the country what it had done, places at the very head of the functions of the executive department "the actual conduct of foreign relations."

There was another man in that convention, a man who sat in the chair of the presiding officer all through its deliberations, George Washington. He became our first President, and his was the first duty to put in force the Constitution, to live up to its principles, to follow closely what had been prescribed. Surely no man here will deny he knew what he was doing when he became President of the United States. The instrument he was to enforce contained a provision that my friend from Texas has wholly overlooked:

The President shall from time to time give to the Congress information of the state of the Union and recommend to their consideration such measures as he shall judge necessary and expedient.

George Washington had not occupied the presidential chair for two years before he had occasion to follow out this injunction in a matter here completely relevant. I would read one of his messages that you may know what the first President understood as to the duties of the President. In those days the President conceived that he should split his annual message into parts addressed, respectively, to the Senate, to the House, and to the Senate and House, allotting to each part of the message the information and recommendation that he thought, in view of constitutional provisions, might be appropriately considered by the Senate alone, the House alone, or by both the Senate and House. Special messages were likewise addressed with meticulous care as to the constitutional proprieties. In the message I will next read not only notice the stage in the proceedings involved that had been reached but also pay attention to the implications of the form of address.

UNITED STATES, February 14, 1791.

Gentlemen of the Senate and House of Representatives:

Soon after I was called to the administration of the Government I found it important to come to an understanding with the Court of London on several points interesting to the United States and, particularly, to know whether they were disposed to enter into arrangements by mutual consent which might fix the commerce between the two nations on principles of reciprocal advantage. For this purpose I authorized informal conferences—

Mark you that. The first President, the man who had presided over the Constitutional Convention, in his first message throwing light on the issue of the present moment, said to the Senate and the House, not to the Senate alone, as would have been the case had it been a treaty matter—

I authorized informal conferences with their ministers, and from these I do not infer any disposition on their part to enter into any arrangements merely commercial. I have thought it proper to give you this information, as it might at some time have influence on matters under your consideration.

G^o WASHINGTON.

Will you tell me that George Washington knew nothing about the separation of the powers? Will you tell me that he knew nothing about the duties of the Executive? Will you tell me that he usurped the functions of the House of Representatives when he authorized his ministers in London to engage in informal conferences in order that the results thereof might be put before the House of Representatives?

Mr. SIROVICH. Will the gentleman yield?

Mr. LUCE. Not at the moment.

I would further quote from another message of the first President, addressed likewise to the "Gentlemen of the Senate and the House of Representatives," on the 28th of February, 1795, after four years of opportunity to reflect

upon whether in 1791 he had made that wretched mistake now attributed to the President of the United States.

He said:

Our minister near the French Republic has urged compensation for the injuries which our commerce has sustained from captures by French cruisers, from the nonfulfillment of the contracts of the agents of that Republic with our citizens, and from the embargo at Bordeaux.

You will see he still believed that negotiations with foreign powers, even though not necessarily leading to treaties, were a duty imposed upon him by the Constitution, a belief that has been accepted by every President since, a belief unquestioned until—I hope not but I fear—for some political purpose, it is brought into this discussion.

I am willing to follow the gentleman from Texas in matters of law when only legalistic ends are involved, but if and when he engages in constitutional argument for political advantage, I decline to tread in his footsteps.

He appears to base his argument on the proposition that such negotiations as those referred to in the messages from which I have quoted might result in treaties and, therefore, would come within the power of the President to make treaties—a power which, of course, includes the preliminaries—but the quoted language warrants no such inferences. Clearly the negotiations reported by Washington did not necessarily involve the treaty-making power.

Possibly he could have advanced this argument with some weight when I asked him about the purchase of Louisiana, but he took another angle of the subject when he answered he was advised that Thomas Jefferson had the consent of Congress before he engaged in the Louisiana purchase.

"He was advised." He admitted in effect that he had not reviewed the circumstances of the case. My surmise is that the information came to him from another Member near at hand who also is highly respected by reason of his knowledge of constitutional matters as well as his personal qualities and who doubtless gave the information without refreshing his memory. Very likely neither gentleman grasped the scope and purpose of my inquiry. Our minds did not meet. My interest was not in what came after Congress took a hand in the matter, but in the earlier negotiations. Let me tell you of them.

Hardly had Thomas Jefferson taken the oath of office when news came from Rufus King, our minister in London, that Spain had made a secret cession of our great Louisiana Territory to France, its former owner.

In September, 1801, Robert Livingston, duly appointed minister to Spain, was told before sailing that if he could obtain West Florida from France or by means of French influence, such a proof on the part of France of good will toward the United States would reconcile us to seeing Bonaparte at New Orleans. In April and May of 1802 the cession of the Floridas, or at least of West Florida, was pressed by the President still more directly and earnestly, and it was not until the following winter that Congress took any part in this matter. Toward the end of December the President laid before the House certain considerations which led it to shut its doors and to pass a week in secret deliberations. After that week, after those deliberations, the historians give us to understand that as a result came the first proposal by Congress or either branch for the purchase of Louisiana. You will see that more than a year earlier, without consulting the House, without informing the country, Jefferson had instructed his minister to proceed in this particular matter, and that in respect of protest no treaty possibility was involved.

I know my friend from Texas [Mr. SUMNERS] will say that a treaty followed. He will attempt to draw the thin line between treaties and other arrangements. He lays down before us a proposition that the President may negotiate for the making of a treaty, but may not negotiate for the making of a law. Such finespun, casuistical argument ought not to be offered in this discussion. It is a theme for constitutional experts who like to quarrel over minute details. It is not a matter that ought to be introduced into this solemn discussion of what should be done to save the world. It is

brought in, I fear—I hope not—but everything indicates that it is brought in to befog the issue, to take us away from the main question at stake, the question of whether we will back up the President in the conduct of foreign relations that was imposed on him by the Constitution of the United States. It may be that men in this body will be so biased by the hair-splitting argument that they will stop reflecting on the real issue. It may be that they will attempt in still other ways to confuse this issue, but I am sure that the people of the United States will look through all these subterfuges, all these pretexts, all these flimsy reasons for taking our attention away from the main question, and will demand that we back up the President of the United States in his conduct of foreign relations. [Applause on the Republican side.]

Mr. HILL of Washington. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Chairman and members of the committee, it has been intimated that the question immediately under consideration has been raised in order to becloud the main issue. I reply that the main issue is injected into this particular phase of the discussion in order, under its screen, to justify and fix a dangerous precedent. At the beginning of my remarks I want to say that in my judgment no Member on either side of the House ought to be influenced in his vote upon the moratorium by the question which I have raised and which has just been discussed by the gentleman from Massachusetts [Mr. LUCE]. Let us get that clear and get that out of the way. This question, this matter of the precedent, ought not to be discussed from a partisan standpoint. It is a matter of no importance whether this question immediately under consideration arose during the administration of a Republican President or a Democratic President. I feel justified in observing to my friend, the gentleman from Massachusetts, that it ought to be possible for a Member of the House on either side of the Chamber to discuss a matter of the privileges of the House without his motives being brought in question.

Whenever the time comes that a Member of the House may not stand in his place and defend what he believes to be the constitutional rights, privileges, and duties of the legislative branch without embarrassing himself or without embarrassment to anybody else, then I say to my good friend from Pennsylvania [Mr. BECK] that his desire to prevent the Executive from absorbing the power of this Government will be of no avail. I undertook, I think I made it clear, that in my view at least it does not matter what Presidents may have done in the past.

Let us see where we are. I am going to discuss this question in such terms that any layman at home may understand. I, myself, do not quite appreciate how the history and tragedy of Rome becomes involved in this question. It is a clear-cut question. By the process of elimination we get rid of the treaty powers of the President, because this is not a treaty. Everybody agrees with that? The House has nothing to do with treaties. If it were a treaty, it would not be here. Then why confuse this consideration by talking about treaties? The gentleman from Massachusetts [Mr. LUCE] says I have overlooked the powers conferred upon the President by section 3 of Article II of the Constitution, from which he read:

He shall from time to time give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient.

The gentleman from Massachusetts failed to read the language immediately following, which is—

He may on extraordinary occasions convene both Houses.

The gentleman from Massachusetts failed to read the only part of that section which is pertinent. The section does show the constitutional plan for dealing with such questions and such conditions as the President, without authority, has dealt with. The plan and the power is in an extraordinary occasion to call Congress together and lay his views and information before it, and then, as the Executive, execute what Congress legislatively determines and makes a law. The constitutional powers of the President

justifying this action with reference to the moratorium can not be found under either the treaty provisions of the Constitution or under section 3, Article II, which is the power to deliver messages to Congress and under extraordinary conditions to convene Congress in extra session.

Certainly, I agree the President has the general responsibility of negotiating with foreign countries in behalf of this Government. But he is not this Government and he can not speak for it in such matters as the proposed moratorium, which included a revenue item of over \$11,000,000,000. He not only is not given that power by the Constitution but by the Constitution it is expressly denied to the Executive and given to the Congress—to the House in the first instance. As Mr. BECK said this morning, the President is the Chief Executive. He is not the originator of revenue policies.

The Constitution has put some very definite responsibilities upon the legislative branch of the Government, and a very definite responsibility upon the House of Representatives of the Congress. Perhaps its most important duty is to deal with the public revenue. Certainly it is its most distinctive responsibility. So here we have the picture—the responsibility of the House to deal in the first instance with revenue matters, the duty of the Congress as a whole to determine the revenue policy of the Government in its details, and the duty of the President to execute the will of the Government, which is expressed through Congress. The Congress of the United States is the official spokesman for the American people with regard to their revenue policies. If that power is to be turned over to the President and Congress become a rubber stamp, why have a Congress; why not have a king and save the expense? When the President undertook to deal with this matter he certainly did not undertake to deal with it as the Executive. Suppose you think about that for a moment. What was he trying to execute? May I draw your attention to the fact that Congress had acted definitely on this proposition of the payment of the principal and interest of the foreign debts with regard to which the President acted. The judgment of the Congress has been taken with regard to this matter, and the President became then the executor of the will of Congress expressed in this Chamber and in the other Chamber. Will anybody dispute that? We appointed a debt-funding commission which made an examination of the whole question and made a report to the Congress. The Congress examined this report of the Debt Funding Commission and legislated on that report. As the Executive there were two courses authorized by the Constitution. One was to have the law carried out as it had been enacted.

The other course, if the President felt that subsequent events made the carrying out of the law hurtful, an "extraordinary occasion," then to convene Congress, submit his message, as provided for in the provision of the Constitution quoted, and get a new law, a new judgment from Congress, if it agreed. Then go to our foreign creditors as the Executive of the Government. The act referred to is the law. It was the last word which the President of the United States ever had from that branch of the Government of whose will he is the executor. That will is as clear as it can be expressed in language. The President undertook upon his own responsibility, not to make a treaty, not to execute a law, but to disturb an arrangement solemnly declared and made in this Chamber and in the Senate and approved by the President of the United States. It became a law. Is that not true? Nobody will question that. How can a President, under the guise of executing the will of Congress as the Executive do that contrary to the expressed will of Congress? Possibly Congress was wrong. It may be that if the President had called Congress into session the Congress would have given the President authority to do what the President did. This is not a pleasant duty for me but it is a duty. Our Constitution is not changed solely by the method provided in the instrument itself. It is changed, speaking practically, by precedents also. The decisions of the Supreme Court show it. Our own obedience to precedents shows it. If the power exercised by

the President in this instance is fixed by precedents, it will be to the hurt of representative government.

It is true the President sent some message to Members of the Congress—Members of the Senate and the House—inquiring of their attitude; but, gentlemen, you can not conduct the affairs of a great government by telegraph or even by parcel post. You can not change the direction given to the President by law in that way. How are we to preserve the division of the powers fixed in the Constitution—and that fixation is wise—if Members of Congress acquiesce, merely because the person whose conduct is under examination happened to be of their political party. What I said last week I repeat. The President of the United States in these negotiations had no more authority than Bill Smith or Tom Brown in my district or yours. His duties are fixed. He has his job cut out for him by the Constitution, and we have our responsibilities here—responsibilities to determine the very things that were determined when we examined the report of the fiscal commission and declared the legislative judgment, made a law for the guidance of the President in the discharge of his executive duties.

Now, I hope you will credit me with sincerity when I say that I regret this question has become involved in the consideration of the major question. But we are acting for the future as well as for the present. Ladies and gentlemen of this House, we have a responsibility here to the generations that are to come, because we know how powerful a precedent is.

I make the statement that the sort of procedure which has been had with reference to this transaction will inevitably result in confusion at home and discredit abroad. I do not care if it had been a Democratic President instead of a Republican President; that is not involved. The procedure had is not only contrary to the plan and the powers granted by the Constitution, but as a matter of fact it is too much power to put in the hands of one man. The Constitution did not put it there. The Constitution places the responsibility of dealing with the revenue of a great people in its own Congress. That is where it ought to remain.

What should have been done and the regular constitutional way to do it and the way I hope this Congress will give Presidents to understand it must be done, is that if a President feels that a thing ought to be done with regard to which Congress alone has the power to authorize him to do and the situation is too acute to await the regular convening of Congress, he should call the Congress into session and submit the matter. [Applause.]

Members of Congress are as concerned for the public interest as is the President. Members would have gladly responded to his call. That is the constitutional way, it is the natural way, not only in harmony with the Constitution but in harmony with the philosophy of representative government.

[Here the gavel fell.]

Mr. HILL of Washington. Mr. Chairman, I yield to the gentleman from Texas two additional minutes.

Mr. SUMNERS of Texas. All Presidents should submit such matters to the judgment of the Congress, and then when they go to Europe, or any other country, that country will know and it will be a fact that they speak by authority of the Government. Let me direct your attention to some very significant language. This is the introductory sentence of the President in this moratorium negotiation:

The American Government proposes the postponement during one year of all payments on intergovernmental debts.

And so forth. How does he know the American Government does it? When did it come that the President of the United States is the American Government? I do not care if he said, "Subject to the approval of Congress," or whatnot. Where in the Constitution does the President get the right to speak, with regard to a revenue matter, the voice of the Government, especially when what he says is in the teeth of and contrary to the last expression of the Government?

Now, if any of you gentlemen want to answer that you can have plenty of time.

How can the President of the United States, when he speaks with regard to the revenue, say that the American Government speaks? These are the words of the President. As a matter of fact, the American Government had spoken back there a few years ago when it approved the conclusions and ratified the recommendations of the Debt Funding Commission, and that was the last word the President had from the American Government.

Ladies and gentlemen, I do not want to take any more time, but I want to plead with you—and I hope what I said in the beginning will be understood—that this question ought not to interfere with or influence the vote of any Member on this main question; but, ladies and gentlemen of the House, charged with the responsibility of supporting the Constitution of the United States, just because your President happened to do this, you ought not to surrender the right, the duty, the responsibility which the Constitution places in you to guard the distribution of powers as fixed in the Constitution, remembering that division resulted not from the judgment alone of those who sat in our Federal Constitutional Convention. That division had been recognized and fixed in the constitution of all the States. It had been fixed for centuries before the Revolution. That division has stood the test for centuries. It is perhaps the most substantial thing in our written Constitution. I would feel myself recreant to as high a duty as I owe, and I speak only for myself, if I did not register earnest protest against the character of procedure had in the matter. In concluding and in justice to the President I want to say I understand he had the approval of many Members of Congress before he acted. I regret that it is impossible to combat the precedent establishing tendency of these transactions without referring to the official out of whose actions the danger has developed. If I am conscious of the motives which have prompted me during this debate, it is to prevent in what has occurred the establishment of a precedent acquiesced in by the House. If established, as certain as there is wisdom in the constitutional division of our powers, such a precedent would plague us, the Government, in the future. [Applause.]

[Here the gavel fell.]

Mr. PURNELL. Mr. Chairman, I yield 30 minutes to the gentleman from Iowa [Mr. RAMSEYER].

ESTATE AND GIFT TAXES

Mr. RAMSEYER. Mr. Chairman, ladies, and gentlemen of the House, what I am about to say has absolutely no relation to anything that has been discussed here this afternoon, nor will it likely have relation to anything that will be discussed during the balance of the afternoon. I asked for time on last Friday to make some observations on the estate, inheritance, and gift taxes.

You older Members of the House know that that subject has been rather close to me ever since the war. Following the war for seven or eight years there was much agitation to repeal the Federal estate tax. Every time the Ways and Means Committee held hearings on tax measures I appeared in defense of the Federal estate tax. I did that on the bill of 1921, on the bill of 1924, on the bill of 1926, and on the bill of 1928.

For the benefit of you younger Members, I want to tell you that the Federal estate tax law was enacted in 1916. In 1918 the estate law was amended, making the maximum rate 25 per cent on that portion of an estate over \$10,000,000.

In 1924 the estate tax rates were increased by an amendment which I myself sponsored, making the highest rate on that portion of the estate over \$10,000,000, 40 per cent. In 1924 we secured this increase which I thought was fair, which the majority of both Houses of Congress thought was fair, and which became law. Following the enactment of these rates in 1924 there was a tremendous drive to repeal the entire estate tax law. Then was enacted the revenue law of 1926, which reduced the highest rate on that portion of the estate over \$10,000,000 from 40 per cent to 20 per cent, and increased the exemption from \$50,000 to \$100,000

and that is the law now. The exemption is \$100,000 and the rates run from 1 to 20 per cent, the 20 per cent taking effect on that portion of the estate over \$10,000,000.

Some of the best economists of the country and some of the leading business men and well-known statesmen of the country have favored the estate tax. I am not going to take time to-day to quote from them. During the last three or four months four large organizations of producers have gone on record in favor of increasing the estate tax. They are the American Farm Bureau Federation, at its convention held in Chicago recently; the National Grange, at its annual convention in Madison, Wis.; the National Farmers' Union, at its annual convention in Des Moines, Iowa; and the American Federation of Labor, at its annual convention held this year at Vancouver, in British Columbia.

Last spring, after Congress adjourned, instead of going home like many of you folks did, I stayed here chiefly to study the tax problem and the problem of stabilizing the purchasing power of money. What I am giving to you to-day is the result of my study last spring on taxation. I intend at some early future date to address you on the subject of stabilizing the purchasing power of money.

Confronted with a Treasury deficit for this fiscal year and the next the revision of our tax laws to yield more revenue will be pressed for consideration. Those interested in a just and equitable system of taxation should not delay a careful and thorough study of our tax problems. The ordinary expenditures of Government should be met by revenue derived from taxation. Borrowing in peace time to meet the public expenditures can not be carried on over a period of years without grave results. Public debts can be justified only for two purposes: First, to meet a temporary emergency, and second, to provide permanent public improvements. Debts for the latter purpose should be limited and with sinking-fund provisions to retire them within at least 25 years.

During the last 40 years we have witnessed a great and an unwarranted increase in the ordinary expenditures of Government—Federal, State, and local. The total for 1890 was \$855,000,000; for 1928 the total was \$12,813,000,000. These sums for the years referred to are allocated as follows:

	1890	
Federal	-----	\$291,000,000
State	-----	77,000,000
Local	-----	487,000,000
	1928	
Federal	-----	3,970,000,000
State	-----	1,826,000,000
Local	-----	6,813,000,000

The World War is responsible for the major portion of the increase in Federal expenditures. Since that war the Federal Government has reduced taxes and debts. The State and local governments have increased taxes and debts. Now the Federal Government is confronted with a curtailment of its debt-reduction policy and also a revision of the tax laws in the near future to increase the receipts.

For an increase in Federal revenues, to what sources shall we turn? My answer is to estate, inheritance, and gift taxes.

Andrew Carnegie, one of the richest men of his generation, was an intelligent, enthusiastic, and persistent advocate of estate and inheritance taxes. It was his view that every fortune left by a hoarder should contribute to the support of government in proportion to its size, leaving exempt small amounts to dependents of the decedent, but graduate the rates upward until with the enormous fortunes reaching into many millions, at least one-half should go to the Public Treasury.

The estate tax is a just tax and does not in the least stifle enterprise, initiative, and the accumulations of wealth. Of all forms of taxation this seems the wisest. The objects of estate and inheritance taxes are: First, to prevent the accumulations of wealth in the hands of those who contributed nothing or little to its creation, and, second, to lighten the burdens of taxation weighing so heavily on the backs of the masses.

No one can view the concentration of wealth and the concentration in the control of wealth during the last 30 years in this country without apprehension and alarm.

The World War stimulated the tendency toward concentration of wealth. We have had a Federal income tax since 1913. A study of the income-tax returns is illuminating on this point. The number of individuals making returns of incomes of \$50,000 and over for the year 1914 was 7,509; for the year 1919 the number was 18,846; and for the year 1929 the number was 38,650.

For the five years 1925-1929 the individual net income class under \$10,000 required to file returns under the law decreased from 3,844,033 to 3,662,948; the net income class between \$10,000 and \$100,000 increased from 317,458 to 357,053; and the net income class over \$100,000 increased from 9,560 to 14,701.

Taking into a separate group the individuals who made returns on \$1,000,000 and over, we find an increase from 290 in 1925 to 504 in 1929. During the same time the total incomes of this group increased from \$465,002,745 in 1925 to \$1,354,123,656 in 1929. There is but one deduction from these figures and that is that since 1914 there has been a large increase in the concentration of wealth, the rich have grown richer, while those with net incomes under \$10,000 and the great mass of those who do not have sufficient incomes to file income-tax returns have had a hard time to hold their own and possibly lost ground. It is apparent that this latter group is not getting its share of the fruits of industry and at the same time is carrying a constantly increasing burden imposed by State and local governments.

We have had a Federal estate tax since 1916. Since the war there have been several drives to repeal the law. Those seeking repeal almost succeeded in 1926. Under the 1926 law the exemption on each estate was raised from \$50,000 to \$100,000. The maximum rate is 20 per cent on the brackets over \$10,000,000, and the States by adjusting their laws to the Federal law can retain 80 per cent of the estate tax imposed by the Federal Treasury.

Now, here are some figures which I want you to get, and if you get nothing else from this address I want you to get the facts and figures that I am about to give you.

In recent years the total Federal and State estate and inheritance taxes amounted to about \$180,000,000 annually, of which around \$60,000,000 go into the Federal Treasury. In a few years the part going to the Federal Treasury under existing law will be about \$40,000,000 a year.

How much revenue should be derived from estate and inheritance taxes? In 1892 Mr. Carnegie, in a carefully prepared statement based on the national wealth and the amount of property that devolved on account of the death of the owners, estimated that at moderate rates \$300,000,000 annually could be collected from this source, a sum at that time more than sufficient to pay all the ordinary expenditures of the Federal Government. He said:

Every dollar of taxes required might be obtained in this manner without interfering in the least with the forces which tend to the development of the country through the production of wealth. It would be a tax easily and surely collectible.

Now our national wealth and the amount of property that devolves on account of the death of the owners are six times what they were in 1892. On the same basis of computation used by Carnegie we could now collect from this source six times \$300,000,000, or \$1,800,000,000 "without interfering in the least with the forces which tend to the development of the country through the production of wealth," instead of \$180,000,000 now collected from this source by both Federal and State Governments.

Great Britain during the fiscal year ended March 31, 1931, collected from death duties nearly \$400,000,000. The conservatives of Great Britain are responsible for the productiveness of their inheritance taxes. Our national wealth is four times that of Great Britain. On a proportionate basis we would collect \$1,600,000,000 annually.

Recently I asked the chief of staff of the Joint Committee on Internal Revenue Taxation to prepare a schedule of rates which would collect a half billion dollars, that is, \$500,000,000 annually. I have that table before me, and I am going to insert it in the RECORD. I am not going to read it to you nor discuss it. However, I have stated on other occa-

sions that in my judgment we could easily collect at least \$500,000,000 or \$600,000,000 from this source. Certainly we could collect from this source \$500,000,000 or \$600,000,000 very much easier than Great Britain can collect \$400,000,000, with only one-fourth of the national wealth we have. As I have stated, Great Britain collected \$400,000,000 during the last fiscal year, and I am reliably informed that this year it is estimated she will collect \$450,000,000 from estate taxes.

Mr. HOCH. Will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. HOCH. Will the gentleman give us the maximum rate under the figures submitted by the Treasury?

Mr. RAMSEYER. The figures are from the experts of the Joint Committee on Internal Revenue Taxation. In the table I have before me the exemption is \$50,000. It starts with a rate of 1 per cent on the first \$10,000 above the exemption; then the rates are increased to 45 per cent on that portion of the estate over \$15,000,000. The rates run from 1 per cent to 45 per cent.

Mr. LA GUARDIA. That is less than the English rate?

Mr. RAMSEYER. The English maximum rate is 40 per cent.

Mr. STEVENSON. Will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. STEVENSON. What would be the gentleman's attitude toward creating from five to ten billion dollars more of nontaxable securities? We have legislation pending before the Banking and Currency Committee looking to about that amount, as I figure it.

Mr. RAMSEYER. That question really is not relevant to what I am discussing. I have on a number of occasions discussed the debt problem, and my attitude has always been against increasing the public debt and in favor of paying off the public debt just as fast as possible.

Mr. STEVENSON. This, however, is not the public debt but refers to proposed issues of absolutely tax-free securities by semigovernmental institutions.

Mr. RAMSEYER. If the Banking and Currency Committee reports out such bills, the gentleman is a member of that committee, and a mighty good member of the committee, then with the assistance of his enlightened judgment I shall try to arrive at right and sound conclusions.

The productiveness of our estate and inheritance taxes is greatly reduced by the wholesale avoidance of those taxes by the rich. By gifts and trusts their estates escape the inheritance and estate taxes. This is a loophole in our laws that can only be closed by the imposition of a gift tax. Recently the Supreme Court denied a writ to review a case from the lower court holding over 95 per cent of the John Wanamaker \$40,000,000 estate exempt from the estate tax because of a gift made thereof by the father to his son within two years of the father's death. In 1919 John D. Rockefeller was reputed to be the largest income-tax payer, running into many millions. Public records disclose that since the war he pays as little as \$12,000 annual income tax. It is generally understood that Edsel Ford is a larger income-tax payer than his father, Henry Ford. Why either a Rockefeller or a Ford should pay no tax on the transfer of hundreds of millions of dollars to his son and a Whitney should pay \$20,000,000 on the transfer of a little over \$100,000,000 to his son is not apparent. In the one case the transfer was made before death, while in the other the transfer was made after death. A tax on gifts and trusts is absolutely essential to preserve and to make productive the estate and inheritance taxes. [Applause.]

The provision of the Federal estate tax allowing an 80 per cent credit to the States is unjust and unsound economically. A large fortune is interstate in character and but a small part thereof may have been produced in the State where the owner lives. For instance, New York pays a large share of the income and estate taxes into the Federal Treasury. That is not due entirely to the income produced and the tangible wealth within New York. In New York are the evidences of the title to much of the property scattered throughout the United States. Because of this situation New York, under this 80 per cent credit provision, is en-

abled to derive revenue from estates out of all proportion to the basic wealth of the State, the wealth actually produced in the State, or the population of the State. The 80 per cent credit provision should be either repealed or the credit allowed States greatly reduced on large estates.

By reducing the exemption, by revising and increasing the rates, by imposing a gift tax—all within constructive and moderate bounds—the estate and inheritance taxes can be made productive of large revenue to meet public expenditures, to pay off the national debt, and to relieve tax burdens. This is a job for the Federal Government. The States can not and will not develop this form of taxation.

To those who may still doubt the wisdom, justness, and expediency of estate and inheritances taxes with productive rates and effective provisions I commend a study of Carnegie's article entitled "The Gospel of Wealth."

Especially to the younger Members of this House who have never given much study to this proposition, I recommend the reading of this essay of Andrew Carnegie. All you have to do is to send over to the Library for it and you can read it in an hour.

Then he has another essay entitled "My Partners, the People." I think this is better than his Gospel of Wealth. This was published in the British Review of Reviews back in the nineties sometime, and there is nothing more enlightening that you can read, either on wealth or on the justness of estate taxes, than Andrew Carnegie's two articles to which I have just referred.

I also commend to you the writings of economists from John Stuart Mill down to the able and learned economists of our own day.

The prophet Hosea, in a period of his country's distress, cried out, "My people are destroyed for lack of knowledge." The need of the present to solve the economic problems before us is knowledge and courage.

I thank you. [Applause.]

Mr. GOSS. Will the gentleman yield?

Mr. RAMSEYER. Yes.

Mr. GOSS. Did I understand the gentleman to say that all States had increased their debts since the war?

Mr. RAMSEYER. I stated that the States and local governments had increased debts.

Mr. GOSS. I wish to call the gentleman's attention to the fact that my State of Connecticut during this period has reduced its debt and is now out of debt.

Mr. RAMSEYER. I am glad to have that information. I congratulate the government of the gentleman's State on its exceptional record in debt reduction.

Mr. Chairman, under leave to extend my remarks I submit the following for printing in the CONGRESSIONAL RECORD:

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON INTERNAL REVENUE TAXATION,
Washington, December 11, 1931.

Hon. C. W. RAMSEYER,

House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: You recently requested a statement as to the rates of estate tax which it would be necessary to impose upon all estates with a net value in excess of \$50,000 in order to produce a total revenue of approximately \$500,000,000 without taking account of any credit allowed for State inheritance taxes paid.

It is estimated that the following schedule of rates would produce an annual revenue of \$415,000,000 if imposed on all estates of over \$50,000.

Amount of estate after \$50,000 exemption:	Rate, per cent
0 to \$10,000.....	1
\$10,000 to \$20,000.....	2
\$20,000 to \$30,000.....	3
\$30,000 to \$40,000.....	4
\$40,000 to \$50,000.....	5
\$50,000 to \$75,000.....	6
\$75,000 to \$100,000.....	7
\$100,000 to \$150,000.....	8
\$150,000 to \$200,000.....	9
\$200,000 to \$250,000.....	10
\$250,000 to \$300,000.....	11
\$300,000 to \$400,000.....	12
\$400,000 to \$500,000.....	13
\$500,000 to \$600,000.....	14
\$600,000 to \$700,000.....	15
\$700,000 to \$800,000.....	16

Amount of estate after \$50,000 exemption—Con.	Rate, per cent
\$800,000 to \$1,000,000.....	17
\$1,000,000 to \$1,250,000.....	18
\$1,250,000 to \$1,500,000.....	19
\$1,500,000 to \$1,750,000.....	20
\$1,750,000 to \$2,000,000.....	21
\$2,000,000 to \$2,250,000.....	22
\$2,250,000 to \$2,500,000.....	23
\$2,500,000 to \$2,750,000.....	24
\$2,750,000 to \$3,000,000.....	25
\$3,000,000 to \$3,250,000.....	26
\$3,250,000 to \$3,500,000.....	27
\$3,500,000 to \$3,750,000.....	28
\$3,750,000 to \$4,000,000.....	29
\$4,000,000 to \$4,250,000.....	30
\$4,250,000 to \$4,500,000.....	31
\$4,500,000 to \$4,750,000.....	32
\$4,750,000 to \$5,000,000.....	33
\$5,000,000 to \$5,500,000.....	34
\$5,500,000 to \$6,000,000.....	35
\$6,000,000 to \$6,500,000.....	36
\$6,500,000 to \$7,000,000.....	37
\$7,000,000 to \$7,500,000.....	38
\$7,500,000 to \$8,000,000.....	39
\$8,000,000 to \$8,500,000.....	40
\$8,500,000 to \$9,000,000.....	41
\$9,000,000 to \$9,500,000.....	42
\$9,500,000 to \$10,000,000.....	43
\$10,000,000 to \$15,000,000.....	44
Over \$15,000,000.....	45

It is estimated that the net value of the estates subject to the above rates would be about \$4,000,000,000 annually before subtracting the specific exemption of \$50,000 each. Thus the average rate of tax on these estates at the rate set forth is about 10 per cent.

Our national wealth is now estimated to be in the neighborhood of \$360,000,000,000. If we assume that property devolves on the average of about once in 35 years, then approximately \$10,000,000,000 in gross value of property devolves annually. Of course, there is a very considerable amount of property passing in the smaller estates in connection with which we have no statistics.

Trusting the above will meet your requirements,

Very respectfully,

L. H. PARKER,
Chief of Staff.

A.—Table showing proposed rates and amounts of tax on given net estates

Net estate (after exemption)	Rate of tax	Amount of tax
	Per cent	
0 to \$10,000.....	1	\$100
\$10,000 to \$20,000.....	2	300
\$20,000 to \$30,000.....	3	600
\$30,000 to \$40,000.....	4	1,000
\$40,000 to \$50,000.....	5	1,500
\$50,000 to \$75,000.....	6	3,000
\$75,000 to \$100,000.....	7	4,750
\$100,000 to \$150,000.....	8	8,750
\$150,000 to \$200,000.....	9	13,250
\$200,000 to \$250,000.....	10	18,250
\$250,000 to \$300,000.....	11	23,750
\$300,000 to \$400,000.....	12	35,750
\$400,000 to \$500,000.....	13	48,750
\$500,000 to \$600,000.....	14	62,750
\$600,000 to \$700,000.....	15	77,750
\$700,000 to \$800,000.....	16	93,750
\$800,000 to \$1,000,000.....	17	127,750
\$1,000,000 to \$1,250,000.....	18	172,750
\$1,250,000 to \$1,500,000.....	19	220,250
\$1,500,000 to \$1,750,000.....	20	270,250
\$1,750,000 to \$2,000,000.....	21	322,750
\$2,000,000 to \$2,250,000.....	22	377,750
\$2,250,000 to \$2,500,000.....	23	435,250
\$2,500,000 to \$2,750,000.....	24	495,250
\$2,750,000 to \$3,000,000.....	25	557,750
\$3,000,000 to \$3,250,000.....	26	622,750
\$3,250,000 to \$3,500,000.....	27	690,250
\$3,500,000 to \$3,750,000.....	28	760,250
\$3,750,000 to \$4,000,000.....	29	832,750
\$4,000,000 to \$4,250,000.....	30	907,750
\$4,250,000 to \$4,500,000.....	31	985,250
\$4,500,000 to \$4,750,000.....	32	1,065,250
\$4,750,000 to \$5,000,000.....	33	1,147,750
\$5,000,000 to \$5,500,000.....	34	1,317,750
\$5,500,000 to \$6,000,000.....	35	1,492,750
\$6,000,000 to \$6,500,000.....	36	1,672,750
\$6,500,000 to \$7,000,000.....	37	1,857,750
\$7,000,000 to \$7,500,000.....	38	2,047,750
\$7,500,000 to \$8,000,000.....	39	2,242,750
\$8,000,000 to \$8,500,000.....	40	2,442,750
\$8,500,000 to \$9,000,000.....	41	2,647,750
\$9,000,000 to \$9,500,000.....	42	2,857,750
\$9,500,000 to \$10,000,000.....	43	3,072,750
\$10,000,000 to \$15,000,000.....	44	5,272,750

Mr. HILL of Washington. Mr. Chairman, I yield 10 minutes to the gentleman from Oklahoma [Mr. SWANK].

Mr. SWANK. Mr. Chairman and members of the committee, we have assembled here in this, the greatest law-making body on earth, and our mission is to legislate for the American people, whom we have the honor to represent. It is, therefore, our solemn duty to do everything within our power for the people. Regardless of what certain favored and high-powered politicians may say, we are now confronted with the most serious situation that we ever faced. On every hand we see poverty, misery, and suffering unequalled in your time or mine. Heretofore a man could find some kind of work to provide for himself and family. Now our highways are filled with men, women, and little children trudging along looking for work, and many times, in their extremities, begging for bread. Never before in America have so many men and women been out of work. And yet, Mr. Chairman, the ear of this administration has not heard the cry of our women and children, and if it heard it heeded not, and the same administration has been in complete control of this Government for the past 11 years. There should always be work in this country that our citizens may not suffer for something to eat and wear. These people who walk the highways looking for work are not beggars, tramps, and worthless wanderers. In most instances they would like an opportunity to work, but it can not be found at any price.

Some of our large industrial concerns, headed by the so-called captains of industry, are engaged in wage reduction and the replacing of man power with machinery, and that without any reduction in the hours of employment for their workers. Then, in addition to this foolish policy advocated by some of these same captains of industry, a general reduction in wages is advocated. I am opposed to such a plan and would like to see a condition whereby all workers in private enterprises and in public work would receive reasonable wages, that they could properly provide for their families. When our town and city workers receive good wages they buy more of the farmers' produce, and the farmers are helped, as are the rest of the people. Our farmers should receive a fair price for what they produce in order that they can also live like other people and enjoy some of the comforts of life as well as the bare necessities. Agriculture is our basic industry and the one upon which all others depend. All that we eat and all that we wear are produced on the farm. When the farmers receive a fair price for the products of their toil there is a general wave of prosperity throughout the land, but when depression hits them, then it is felt in every line of business. When we legislate for agriculture and our wage earners we legislate for all the people. Out on the farm and among those who work we find our real Christian Americanism. Our farmers and wage earners ask no special favors of this Congress and only ask to be treated like other citizens.

Mr. Chairman, I would like to see this administration look to our own domestic affairs instead of trying to get a moratorium on the debts owing us by foreign countries and which they agreed to pay, and stirring up sentiment for complete cancellation of those debts, to which I am opposed. [Applause.] We often hear the question of what caused this depression and what can be done about it. One of the chief causes is the Smoot-Hawley tariff law enacted by this Republican administration in the last Congress. That law has almost destroyed our foreign markets, as the figures show. In 1920 our foreign exports amounted to the enormous sum of \$8,100,000,000, and under the present tariff law our exports have dwindled to \$3,843,181,000 in 1930. Then, some politicians ask what caused the slump. In order to have a good price we must have a market in which to sell our so-called surplus. By reason of this destruction of our foreign markets we have seen the farmers' products fall to the lowest level for many years. The records of the Department of Agriculture show that it cost our farmers on an average 89 cents per bushel to produce corn in 1930. The same year it cost them \$1.09 per bushel to produce wheat, and from 50 cents to 54 cents per bushel to produce oats. These same records show that it cost our cotton farmers 16 cents per pound to produce cotton in

1930. The production costs for these products will be about the same for 1931, and this fall corn sold for from 25 cents to 30 cents per bushel, wheat as low as 25 cents per bushel, oats 15 cents per bushel, and cotton as low as 4 cents per pound in the lint. The farmers can not continue to produce under such conditions.

Mr. Chairman, on the 24th day of September, 1931, Congressman MARTIN DIES, of Texas, and I, personally, presented to the President of the United States the following program, which would do much to relieve the present unemployment situation and also provide permanent relief:

PROGRAM SUBMITTED

WASHINGTON, D. C., September 24, 1931.

To Hon. HERBERT HOOVER,

President of the United States:

Believing that the present economic crisis is wholly unjustified in view of the tremendous wealth and surplus that exist in every line of industry and the inexhaustible resources of our country, we feel that an immediate special session of Congress is urgently needed. The situation is national and Congress can find and apply an adequate solution. To sit idly by and indulge the vain hope that the situation will right itself is to acknowledge the inability of popular government to promote and insure the happiness and welfare of its people. Even should the situation right itself, the tremendous loss in wages and earnings, the destruction of public confidence, and the suffering and privation entailed would constitute an indictment against our administration of government.

If the present situation could be traced to famine, droughts, and unavoidable events, little could be expected from legislative enactments except temporary relief measures. But with an abundance of wealth and surplus of everything, unemployment and wholesale bankruptcies are inexcusable and must be attributed to unnatural causes that can be controlled by Congress.

We, therefore, respectfully request that Congress be immediately convened in extraordinary session, and that a constructive program be submitted that will provide temporary and permanent relief; that we devise ways and means of forever preventing a recurrence of the ridiculous spectacle of widespread unemployment, want, and suffering in a land of plenty. We submit that such a program, in order to be adequate and effective, must include the following:

(1) An appropriation of sufficient money to immediately inaugurate a great construction and improvement program in every part of the Nation, to provide for immediate employment for our people. To insure this employment we suggest that provision be made on all public highways for the work to be done by man power and that labor-saving devices and machines be dispensed with, so far as possible. The same aid should be given farm-to-market or post roads as is given to State highways. This provision will immediately give employment to all. Such a program will not only give employment now but will insure needed improvements and construction. This building program would consist of Federal buildings, waterways improvement, and flood-control work. Many of our waterways and deep-water projects are receiving inadequate aid from the Government. For example, the Sabine-Neches waterways of southeast Texas, over which one-fifth of the tonnage of the Nation moves, and which urgently need deepening, widening, and many other necessary improvements. We urge prevention of flood damage on the Mississippi and tributaries by impounding the waters in reservoirs. This work, in addition to assisting in controlling the floods, will relieve droughts, furnish needed food, and give jobs to thousands of worthy citizens. In Oklahoma surveys have been made and sites located for reservoirs.

We cite these instances because they are familiar to us. They illustrate the great need throughout the Nation for public improvements that would, from a business standpoint, amply justify the expenditure, provide employment, and restore normal conditions. Such a program, to be effectual, must be inaugurated at once and carried on with vigor and energy, and not postponed until the next presidential campaign. Most of the States of the Nation, and especially Texas and Oklahoma, are ready to cooperate, and, with conferences with industrial concerns and business enterprises throughout the Nation, private cooperation can be secured and the hours and days of work shortened to offset the displacement of man power by the labor-saving devices, so that every man in the United States desiring work can be immediately given a job, and within 90 days the economic depression will be lifted and the Nation restored to prosperity.

(2) That the Government use cotton paper, cloth, and twine, exclusive of all other kinds and that a national program be inaugurated by the President and the Department of Agriculture, enlisting the support of the American people in an effort to use more cotton clothing and cotton goods. This will create a great demand for cotton and double the price.

(3) Prevent the Department of Agriculture in making crop estimates from including "bollies" in the estimates. The enactment of laws to prevent interstate shipments of "bollie" cotton. This will do much to stimulate the price.

(4) That a moratorium for one year be granted on mortgage foreclosures on homesteads and, if necessary to make this effective, that Congress enact such laws with reference to Federal loans

and that the several States be urged to enact similar laws on State foreclosures.

(5) All immigration from every country should be prohibited for a period of five years to enable us to absorb the labor surplus. We should enact at once adequate deportation laws that will enable us to immediately deport the several million foreigners illegally in our country and those who are legally here but have committed a criminal offense.

(6) We urge the enactment of necessary laws to prevent gambling and wild speculation on the stock exchange. One of the contributing causes of our present economic crisis was the inflation of stocks and securities beyond all reasonable proportions, that unscrupulous promoters might make untold millions at the expense of the unsuspecting public.

(7) The regulation of our banking system in order to restrain the individual greed in the management of our banks, our railroads, and large industrial corporations. It is difficult to believe that any country as rich as ours and in the midst of plenty would be embarrassed as we are and faced with distress and unemployment if we had a well-balanced banking system. Take that control out of the hands of a few men.

The submission of these questions, along with other matters that your judgment may dictate, will enable Congress immediately to provide for temporary and permanent relief and will prevent untold suffering and privation this winter, save billions of dollars in loss of wages and earnings, and accelerate the return of normal conditions. The legislatures of different States are meeting in special session, but they find it difficult, if not impossible, to adequately deal with the situation that is national in cause and effect.

In conclusion, we wish to assure you that our only motive in submitting this request is to cooperate with you in this distressing time in restoring confidence in our Nation and bringing immediate relief to the millions of our fellow citizens who find themselves unemployed, their resources exhausted, and their future darkened. These questions can be handled before the hardships of winter begin by a special session of Congress now.

Respectfully submitted.

MARTIN DIES, M. C.,
Second Texas District.
F. B. SWANK, M. C.,
Fifth Oklahoma District.

A great construction and improvement program should be started at once and not wait until 1932, when the campaign will begin. If such a plan were adopted and the work done with man power instead of with machinery so far as possible, it would put every man to work now. Large construction on our waterways and flood control needs to be done which would be of great benefit to the country in general and to Oklahoma in particular. I have communicated with the Bureau of Reclamation and the Bureau of Public Roads on the use of more man power and mention this to show that I am trying to do something to relieve present conditions. New uses for cotton must be found. Only recently the Post Office Department submitted bids for 1,300,000 pounds of cotton twine for six months for that one department of Government. That one item alone, in one department, will cause to be used 5,200 bales more of cotton each year. All other departments of the Government should follow suit. Our program calls for that to be done. The newspapers carried reports that the sugar industry was going to use cotton sacks instead of imported burlap. Then, in my judgment, the Department of Agriculture should not include "bollie" cotton in its production estimates, for it depresses the price and thereby injures the cotton farmers. In my opinion there should be a thorough and complete investigation of the Federal Farm Board to determine its activities in relation to the wheat and cotton crop, and I shall exert my efforts for a congressional investigation.

This plan also provides for a moratorium of one year on mortgage foreclosures, and if this time were granted many homes could be saved without loss to anyone. Then all immigration should be prohibited for at least a time. Workers should not be imported from other countries when we have so many millions of our own people out of work. The stock exchanges can and should be controlled or abolished. All that is necessary to achieve this result is to have an administration that wants to control them and prevent their wild and unscrupulous speculations and ruinous policy toward our people. Our banking system must be taken out of the hands of a few men and placed back in Congress, for the Constitution provides that the Congress shall have power to "coin money and regulate the value thereof." Congress

can and should issue money and not pay the large banks to issue the money.

Mr. Chairman and Members of the House, this program would be of lasting benefit to our country, and let us unite and do something to relieve the distressful conditions that confront us. I am ready to support any plan that will provide relief for the people of our common land. Work must be provided or a direct appropriation made, for our hungry must not starve and our needy freeze this winter.

I am glad to say that our program has the personal indorsement of many citizens. The president of the Farmers Union of Oklahoma, Hon. Tom W. Cheek, wrote me that this program is right in line with the Farmers Union program. I also received the following letter from the Oklahoma City Trades and Labor Council:

OKLAHOMA CITY, OKLA., October 17, 1931.

Hon. F. B. SWANK,

House Office Building, Washington, D. C.

DEAR MR. SWANK: At the meeting of the Oklahoma City Trades and Labor Council, held October 15, a motion was unanimously adopted indorsing your recommendation to the President of the United States for an extra session of Congress to consider the program outlined in your petition.

Trusting that you may get fruits from this move and thanking you for your interest in the cause of the unemployed, we are

Yours very truly,

OKLAHOMA CITY TRADES AND LABOR COUNCIL.
JOHN HOWE, Secretary.

These indorsements come from great labor organizations which are interested in the general welfare of our country, and I appreciate them more than words can tell. [Applause.]

Mr. PURNELL. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. McGugin].

Mr. MCGUGIN. Mr. Chairman, ladies, and gentlemen, when I came to this session of Congress I was opposed to the moratorium. The reason why I was opposed to it was because I believed that it directly benefited only the international bankers and the citizens who had investments in foreign loans. Last summer when the President wired the Members of Congress asking their position on the moratorium I replied that I should not be interested in the moratorium unless it was associated with a program which would stabilize other lines of business as well as the investments in foreign securities.

The message of the President to the Congress outlines a program which should aid and stabilize the financial structure of this country from Wall Street to Main Street.

Aid for Federal land banks, a home-loan discount bank to give immediate relief to embarrassed savings banks and building and loan associations, a reconstruction corporation to handle credits and securities of all kinds until property values return to a more normal value, together with the moratorium, should stabilize our entire financial system, which is tottering.

The President in his message advised the Congress that a few weeks since the huge sum of \$250,000,000 was weekly being withdrawn from the banks in currency and hidden away. If this situation had continued for 20 weeks the entire \$5,000,000,000 in circulation and outside of the Federal Treasury would have been withdrawn from American banks. Such a condition would have closed every bank in America, from the largest to the smallest. The chaos which would follow such a situation no man can comprehend. The time has come for quick and effective action upon the part of the Government. The Government is the only possible institution in America which can meet this emergency. The immediate and vital needs of the Nation demand that the Congress act posthaste and lay aside until a later date partisan bickering and personal animosity.

As to the moratorium, no man has less use for the international bankers and their conduct in making foreign loans than have I. When they made these loans they were far more interested in brokerage fees than in safe security. For several years they have been running the banking business of the country in a high-handed manner. They have been instrumental in centralizing the banking system and the wealth of the country until the Government can not

permit these New York banks to go broke without carrying down with them the banks throughout the Nation.

No matter what these international bankers made in the past, they do not have the money at this time. Their profits have been book profits and have vanished. I call the attention of the Congress to the selling prices of the stock in these banks. The stock in the Chase National Bank has gone from a top of \$893 in 1928 down to \$40 on November 30, 1931, and on down to \$31 Saturday, December 12, of this year. The value of the stock in this bank has decreased 25 per cent during the last 12 days. The stock of the National City Bank of New York has fallen from a top of something like \$650 a share to \$51 a share on November 30 of this year, and to \$41 a share on December 12 this year. The stock of this bank has decreased 20 per cent within the last 12 days.

No man in Congress has any idea that the interest is going to be paid on these foreign loans, whether Congress approves or disapproves the moratorium. Congressional approval or disapproval of the moratorium can have no other effect than possibly to stabilize or further to demoralize an already tottering world-wide banking system.

The President has submitted a general program to the Congress which will stabilize the banking and business conditions in America from New York City to Elk City, if indeed it is possible to accomplish that much needed and desired purpose. I take it that Secretary Mellon was apprised of the contents of the President's message before it was sent to the Congress. Since that message includes Federal Government support for frozen credits down to deposits in closed banks, it is an unconditional surrender on the part of centralized wealth. It is an open admission by big business that it can not be saved unless individual business is saved. If we Congressmen from rural sections may quickly realize that small business can not be stabilized if big business completely and abruptly fail, then there is some promise that America is on the highway leading to the land of hope.

I regret exceedingly that partisanship is running so high in the debate on the moratorium. If it must be viewed in a partisan sense, I should ask the question: Which party and which administration is deserving of the more censure, the party and administration which can not collect the interest on some worthless foreign debts or the party and administration which granted these worthless loans to foreign countries? [Applause.] There has never been a day since these loans were made that the United States could collect them. When these loans were made the Wilson administration evidently thought they were virtually worthless and would never be paid. At least, that administration did not go to the trouble of so much as obtaining a written I O U for them.

I am not here to criticize the making of those loans. I assume that the Wilson administration made them upon the theory that it was absolutely necessary for the Government of the United States to lend this money to a war-impooverished Europe in order that a world-wide banking structure might again be reestablished. It seems apparent that this administration is foregoing the interest on these loans for another year upon the theory that it is necessary to do so in order to try to preserve a world-wide banking structure. I do not assume for a moment that Woodrow Wilson made these loans for the purpose of throwing away the money of the American people. I do not assume for a moment that Herbert Hoover is foregoing the receipt of the interest on these loans for the purpose of beating the taxpayers of the United States out of something they might otherwise receive.

The Government of the United States at this moment must either take its choice in letting the liquidation go on or step into the breach and endeavor to check it. The executive branch of the Government has chosen to take the course of endeavoring to check the liquidation. It is now squarely up to the Congress to make the last and final decree as to whether the liquidation shall go on or use the full power of the Government of the United States to endeavor to check the liquidation. This is a choice between two evils; it is the choice between two very expensive bur-

dens. Probably no man knows which of these evils is the lesser and which of these burdens is the lighter.

If the liquidation goes on it would seem that general bankruptcy of the financial and industrial world is inevitable.

If the liquidation goes on, it simply means forcing the financial and industrial world down to the present bankrupt level of agriculture and other raw products. The standard of agriculture is about 40 per cent below the pre-war standard. Liquidation means tearing down the industrial and financial world to 40 per cent below the pre-war level. That means wholesale cutting and slashing of wages, increased unemployment, and other human misery in untold proportions. Maybe that is the way out of it; it is an awful price to pay, but sooner or later there must be a parity between the prices of raw products of the mine and of the farm and the prices of the products of industry. It is to be hoped that a checking of the liquidation will bring these raw products up to some sort of a parity with industry rather than dragging industry and finance down to the present low level of agriculture and mining.

If the liquidation goes on, agriculture is not going to be in any worse shape than it is now. The farms of the Nation will be sold when the mortgages are foreclosed; however, the farmers will buy their land back for less than the mortgage. So, after all, it is the financial world which is going into complete bankruptcy rather than agriculture. If the liquidation goes on, the farmers will lose their farm machinery for the mortgage debt, but they will buy it back for less than the mortgage. If the liquidation goes on, the millions of people engaged in agriculture and mining are not going to buy the products of industry until these industrial products are down to an exchange value with the prices of farm and mineral products. Agriculture and mining are as low as they can get. There is no way for the manufacturing industry and finance to go other than down to agriculture and mining unless the liquidation is stopped. I do not undertake even to so much as suggest that I know whether or not the President's program or any other program can check the liquidation which is coming about by the downward plunge of finance and industry to the 40 per cent below the pre-war level of agriculture and mining.

We should not be in this present situation if from 1919 to 1929 industry and finance had exercised a fair, decent, and equitable regard for the raw products of the farm and of the mine. However, that is water over the dam and the day of reckoning has come. Industry and finance are learning from bitter experience that "the mills of the gods grind slowly but exceedingly fine."

If the liquidation can be checked, the President's plan should check it. I do not believe that the Government is going to be able to do it with any \$2,000,000,000. I should sooner think that in the end it will be nearer \$10,000,000,000. Industry and finance must pay the bill. They must either pay it as they are now paying it, through the inescapable demand of the economic law to liquidate, or pay it through taxes necessary to pay the expenses of the Government in its effort to check the liquidation. There is no right way, in the sense of an easy way, out of this depression. It is the case of getting out of it the best that we can.

Hope springs eternal in the human breast.

I do not firmly believe, I only hope, that the President's program, if accepted by the Congress, will check the cruel liquidation. I can not say that wisdom and judgment prompt this hope. It may only be a vain human struggle to avoid the human suffering which will be the inevitable consequence of a continuation of the present liquidation under the economic law. [Applause.]

Mr. PURNELL. May I ask the gentleman from Illinois what his plans are?

Mr. RAINEY. My purpose is to move that the committee rise in one minute from now.

Mr. PURNELL. And general debate will continue tomorrow?

Mr. RAINEY. Yes. Mr. Chairman, I now yield to the gentleman from Indiana [Mr. Crowe].

Mr. CROWE. Mr. Chairman, ladies and gentlemen of the committee, much has been said concerning the state of the Union, its condition and of world-wide conditions.

World-wide conditions are a matter of concern always to us all. We are much nearer our European neighbors than we formerly were, with our fast-sailing ocean liners, our airplanes, dirigibles, our cables, our wireless. These tend to bring countries that were once far away now very near at hand. We are our brother's keeper to be sure, and we want to lend every possible aid and assistance to the nations of Europe that we can in justice to ourselves and our own people.

On June 20 last I was interviewed by the press as to whether I would support a 1-year moratorium on world intergovernmental debts. I answered through the press as follows:

I desire to support President Hoover, but I would not favor any moratorium whatever until the needs of our own people have been taken care of. I would not favor any measure that would in any manner or way tend to the cancellation of any debts of the European powers.

If one year's moratorium could be granted and our rights entirely safeguarded and if it were conclusively shown that it would be used to help and strengthen business conditions and not result in a wedge to their later obtaining further concessions and cancellation of any part or parts of the debts of foreign countries, I am inclined to think that I would favor it. However, I want to see our own people cared for first.

I would favor any reasonable policy that would give the European powers a breathing spell if it were not permitted to be used in building up armaments. If they could be safely bound, then and only then would I favor assisting them.

On June 23 President Hoover wired me asking if I would support his moratorium proposal. I at once answered him as follows:

I favor action by the United States which will prevent the collapse of the German Republic. I favor your plan, Mr. President, suspending payments of war debts to us from France, England, Germany, Italy, Belgium, and other nations if such action will help economic conditions in those countries and in the United States, on the following conditions:

First. The tax burden upon our own people should not be increased by such moratorium.

Second. We should be assured that such action will, in some measure, tend to relieve our own economic distress and unemployment.

Third. We should know that such action will strengthen the position of the United States in the coming disarmament conference.

Fourth. Foreign countries should guarantee to the United States that they will not take advantage of the situation by way of increased expenditures for armament.

Fifth. Our own people should be assured that such action on our part is not an opening wedge leading to the cancellation of war debts to the United States.

Sixth. The Government of the United States should assure our own people that the loss of income from debt payment for the coming year will not interfere with relief needed by our own citizens and should guarantee that, in this land of plenty and surplus food, no one shall starve or suffer from prolonged hunger.

While we desire to help and aid Europe, we shall not overlook the terrible conditions staring us in the face here at home.

Furthermore, how far can we and should we be expected to go with Europe, and have we not already gone quite far enough?

Should we be required to extend the moratorium to other European countries in order to assist Germany? Could we not extend a helping hand to Germany and assist her in her crisis temporarily, if need be, and yet require the other nations to continue paying us?

Will the moratorium not be a wedge tending to further reparations reductions and ultimate cancellation?

To aid Germany, why was it necessary to suspend the payments due us from France, England, Italy, and other nations? Why was it necessary to suspend payments due us from Czechoslovakia, Estonia, Finland, Hungary, Lithuania, Latvia, Poland, and Yugoslavia? They are not indebted for war-time advances but loans were made them after the termination of the war and for other than war purposes. The loans of those eight nations total more than \$400,000,000. On these, as well as other European debtors,

the plan of their settlement does not even provide for a reasonable return on the money, they to pay only 3.2 per cent per annum.

UNITED STATES TO LOSE PRINCIPAL

Under the plan of this settlement we do not expect, neither can we hope, to ever be paid the principal, these countries to pay 3.2 per cent per annum for 62 years; then the debt is canceled.

What excuse or reason is there for a moratorium for these countries, and why give them additional time, when our farmers, our merchants, our workingmen are being ground to dust trying to raise the money to pay taxes, a part of which is to go to pay the interest on money loaned Europe?

In the case of France, after our boys returned, excepting the fallen heroes who rested in Flanders fields and other parts of France and Europe, there remained some \$2,000,000,000 worth of supplies, railroad-equipment improvements we had made, foods of all kinds, and other supplies. Unfortunately, on account of our agreement respecting tariff duties, we only had one customer for all this, namely, France. She drove a bargain and purchased the \$2,000,000,000 with promises to pay of \$400,000,000, or 20 cents on the dollar. Prior to the armistice France, when hard pressed, secured loans from us of approximately \$2,662,000,000. After the war was all over, listening to her further pleadings, we loaned France additional money until her total debt was \$4,231,000,000. This total is generally considered and probably was under the amount really owed us by France. However, it was the figure arrived at.

This money was raised in the United States by sale of Liberty loan bonds, thrift stamps, and so forth, on which our Government pays the investors 4 per cent in the main, and when due they are to be retired by the owner receiving face value for them. We received in turn from France her promise to pay us 2½ per cent per annum for 62 years, at which time, instead of her paying off her obligations, the debt will be canceled.

Other European nations settled on terms most advantageous to them and to our great loss and disadvantage.

On the state of the Union, we had a deficit of some \$900,000,000 last year, and it promises to be near \$2,000,000,000 this year.

The amounts due us from Europe per year, according to settlements made with European powers, would be something over \$300,000,000 per year. That money is needed to assist our own people, to help them carry some of their heavy load.

If the nations of Europe, other than Germany, are hard hit, let them forego the building of armaments and reduce their armies and navies. France, with her tremendous army, navy, and air corps, is paying nearly \$2,500,000,000 yearly; that in two years would wipe out their debt to the United States. We have gone quite too far already in aiding Europe. Charity begins at home.

He that careth not for his own house hath denied the faith, and is worse than an infidel.

So reads the Good Book. If we are prepared to help, let us help our own countrymen.

While I am unalterably opposed to a dole, or a near approach to it, I oppose it when given to Europe, in moratorium and cancellation of debts, just the same and just as vigorously as I do to our own people, but at that we can not let our own people starve in this land of plenty.

If we can give so much aid to Europe, why not aid our own farmers, who are breaking under loads of debt and interest charges partly brought about by high taxation? I would prefer to extend a moratorium to our farmers and others who are under mortgage and losing their farms and homes.

VETERANS

If we are in position to offer help so generously to Europe, I ask instead that we give more careful consideration to the needs of our veterans. I shall introduce bills in Congress and try to get them written into legislation to be of benefit and help to the veterans and their dependents.

I may vote for the ratification of the 1-year moratorium as sponsored by President Hoover, but I am unalterably opposed to any further extension of time and shall never consent to any further reduction of reparations payments.

I am opposed to even any further discussion with European powers concerning reparations.

While the settlements we have made with the powers of Europe are not satisfactory they are no doubt much more satisfactory than any new settlements we would make.

I have too much respect for the fathers and mothers in the United States who bought Liberty bonds, and of their sons who offered their lives as a sacrifice for their country, to vote for any further extension of the moratorium or any cancellation whatever of European debts due us. [Applause on the Democratic side.]

Mr. PURNELL. Mr. Chairman, I yield one minute to the gentleman from Pennsylvania [Mr. McFADDEN].

Mr. McFADDEN. Mr. Chairman, I intended to ask that these letters I hold in my hand be read from the desk this morning, but it was not possible to do that. I ask unanimous consent that I may insert them in the RECORD at this point following the remarks I have made. They constitute correspondence between the Under Secretary of the Treasury, the Secretary of State, and myself, pertaining to the moratorium and the war-debt situation.

The CHAIRMAN. Is there objection?

There was no objection.

The letters referred to are as follows:

DECEMBER 12, 1931.

HON. OGDEN L. MILLS,
Under Secretary of the Treasury, Treasury Department,
Washington, D. C.

MY DEAR MR. MILLS: The Washington Post this morning carries the following:

"MILLS TO MEET SENATORS

"Ogden L. Mills, Under Secretary of the Treasury, will go to the Capitol this morning to discuss the Hoover 1-year moratorium on war debts with five influential Senators.

"I am going to talk about the December 15 payments and nothing else," Mr. Mills said last night.

"He was referring to the payments which certain European countries were scheduled to make to this country next Tuesday, but which, under the Hoover moratorium, would be postponed and paid later over a 10-year period.

"It is now evident that Congress can not adopt the moratorium resolution until after Tuesday. Thus it becomes necessary for Henry L. Stimson, Secretary of State, to issue a statement explaining to the debtor nations that they are not expected to make the December 15 payments.

"Mr. Mills wants to consult the Senators about the form this statement should take.

"Mr. Mills, who is regarded as the President's principal adviser with respect to the international economic situation, will meet with the group of Senators this morning in the office of Majority Leader WATSON."

I desire to call your attention to the fact that the Secretary of State has no authority whatsoever to issue a statement to any debtors of the United States affected by the Hoover moratorium that they need not make payment of debts due the United States on December 15, 1931, pending action on the moratorium which is now before the Congress.

The Hoover moratorium was negotiated by the President of the United States without the authority of Congress, and now certainly the Secretary of State has no authority, and if he takes such action as indicated by you it will be a reversal of his position taken in July, 1929, when the Government of France asked for a short delay before executing the Mellon-Berenger agreement, wherein his position then was stated to France to be that the disposition established by the Mellon-Berenger accord could not be modified save by a law enacted by Congress, and he further stated that Congress was not in session and that the United States held the French documents of indebtedness and would proceed to an execution upon France if the Mellon-Berenger accord were not modified immediately.

Under my responsibility as a Member of Congress, I challenge the right of the Secretary of State to issue such a communication.

Very truly yours,

L. T. McFADDEN.

DECEMBER 12, 1931.

HON. HENRY L. STIMSON,
Secretary of State, Washington, D. C.

DEAR MR. SECRETARY: This morning's Washington Post carries the following article:

"MILLS TO MEET SENATORS

"Ogden L. Mills, Under Secretary of the Treasury, will go to the Capitol this morning to discuss the Hoover 1-year moratorium on war debts with five influential Senators.

"I am going to talk about the December 15 payments and nothing else," Mr. Mills said last night.

"He was referring to the payments which certain European countries were scheduled to make to this country next Tuesday, but which, under the Hoover moratorium, would be postponed and paid later over a 10-year period.

"It is now evident that Congress can not adopt the moratorium resolution until after Tuesday. Thus it becomes necessary for Henry L. Stimson, Secretary of State, to issue a statement explaining to the debtor nations that they are not expected to make the December 15 payments.

"Mr. Mills wants to consult the Senators about the form this statement should take.

"Mr. Mills, who is regarded as the President's principal adviser with respect to the international economic situation, will meet with the group of Senators this morning in the office of Majority Leader WATSON."

I am inclosing copy of letter that I have this day sent to the Under Secretary, and now call it to your attention, and desire to be informed immediately as to whether or not you have issued such a letter to the creditors of the United States or whether you have in contemplation such action.

Under my responsibility as a Member of Congress, I challenge your right to issue such a communication.

Very truly yours,

L. T. McFADDEN.

THE UNDER SECRETARY OF THE TREASURY,
Washington, December 12, 1931.

HON. LOUIS T. McFADDEN,
House of Representatives.

MY DEAR MR. McFADDEN: I have your letter of December 12, which presumably was written before you talked to me over the telephone. Let me repeat what I said to you then: I never stated that the Secretary of State would issue a statement to the effect that our debtor nations are not expected to make the December 15 payments. To my knowledge neither the Secretary of State nor any other responsible officer of the Government has any intention of making any such statement.

Since you quote from the Washington Post of this morning, may I call your attention to the fact that the Washington Post does not say that I made any such statement. It quotes me as follows: "I am going to talk about the December 15 payments and nothing else."

Yours truly,

OGDEN L. MILLS,
Under Secretary of the Treasury.

DECEMBER 14, 1931.

HON. OGDEN L. MILLS,
Under Secretary of the Treasury,
Washington, D. C.

MY DEAR MR. MILLS: I received your letter of the 12th replying to mine of the same date, which communication was written before I talked to you over the telephone. But, notwithstanding your denial over the telephone, after advice that I received that you had been discussing with Representatives GARNER, RAINY, LINTHICUM, and COLLIER, SNELL, and HAWLEY, the very subject that you denied to me, and being further reassured by newspaper correspondents who were present at some of these interviews, I mailed you my letter. And now you have acknowledged in your interview printed in this morning's press that you did secretly try to get congressional approval by discussing not only with the above Members of the House, but with Senators WATSON, BORAH, REED, and others.

I now desire to reiterate what I said in my last letter to you and emphasize, so far as I am able, the fact that you are now attempting to do, by acquiescence and indirectly, what you know and what you have told me you have no right to do. I again repeat to you that you and those associated with you in this undertaking have no legal authority to do what you are doing, and you are laying yourselves personally liable to the people of the United States for any losses which they may incur by your assurance either directly to the debtor nations or to their legally constituted representatives.

The article in which you are quoted this morning says that the flurry of opposition to the President's moratorium is expected to die down as soon as Congress has learned that no connection is intended between the 12 months' debt holiday and the re-creation of the World War Foreign Debt Commission. You are directly quoted as saying, "There has never at any time been any intention of coupling the President's proposal to re-create the World War Foreign Debt Commission with the proposal for a 1-year suspension of payments on foreign debts." You know perfectly well that this statement is intended to deceive the Congress. You know how utterly impossible this would be. If this moratorium is ratified, war debts and reparations are irrevocably mixed. And you must know this when the present international bankers committee and the committee operating under the Bank for International Settlements are acting to ascertain Germany's capacity to pay, not only reparations but indebtedness of Germany, both short and long time, and that there is to be convened an international conference to deal with the question of the reduction of war debts and reparations. So why try to deceive Congress and the American people in regard to this vital matter at this time?

You are to appear before the Ways and Means Committee tomorrow to present your argument as regards the moratorium pro-

posal. I hope at this meeting that you will not only include what you have prepared to say to this committee but that you will furnish to this committee the information which I have been asking for from the Secretary of the Treasury as per the inclosed copy of letter, and which information has not been forthcoming, but also furnish the information which I have been asking the Federal Reserve Board to produce as per the inclosed letter and which they have failed to produce. This information is vital in connection with the consideration which Congress is to give to this moratorium.

Very truly yours,

L. T. McFADDEN.

DECEMBER 14, 1931.

HON. HENRY L. STIMSON,
Secretary of State, Washington, D. C.

MY DEAR MR. SECRETARY: I have had no reply from you to my letter of December 12.

Supplementing what I said to you then, I desire to quote from this morning's Washington Post covering an announcement yesterday by Under Secretary of the Treasury Ogden L. Mills, as follows:

"The flurry of opposition to the President's moratorium is expected to die down as soon as Congress has learned that no connection is intended between the 12 months' debt holiday and the re-creation of the World War Foreign Debt Commission. This was emphatically declared by Mr. Mills yesterday. He said:

"There has never at any time been any intention of coupling the President's proposal to re-create the World War Foreign Debt Commission with the proposal for a 1-year suspension of payments on foreign debts."

Under my responsibility as a Member of Congress, I again challenge your right to make any modifying statement to the debtors of the United States affected by the Hoover moratorium whose payments are due to-morrow and who will, I understand, if you do not deprive them of the opportunity, pay into the United States Treasury approximately \$125,000,000.

I protest that you have no right whatsoever to mislead the representatives here of the countries affected. This debt settlement agreement can not be modified without the approval of Congress; you have no authority until Congress gives it to you in this instance. I desire to point out to you that the acquiescence of a small number of Representatives and Senators is not the approval of Congress. Congress is now in session and is dealing with the subject.

I desire to now notify you that you and all of those associated with you in this attempt to deprive the United States of what is legally due them from these countries will be held personally responsible, and I demand that you advise me what communications or verbal assurances or acquiescences have been directly given to the debtor countries or their legal representatives here or elsewhere.

Very truly yours,

L. T. McFADDEN.

NOVEMBER 21, 1931.

HON. ANDREW W. MELLON,
Secretary of the Treasury, Washington, D. C.

MY DEAR MR. MELLON: In connection with the consideration that will be given in the coming session of Congress relative to the Hoover moratorium of war debts and reparation payments, I shall be pleased if you will advise me at once full information relative to Germany's debt, both short and long term, and to what countries and banks they are owed, and the amounts; and, also, if you will furnish me a complete statement of all war debts and reparations involved in this moratorium. I am particularly anxious that this statement shall cover the short-term indebtedness, which by agreement among American and foreign bankers has been extended to February, 1932, and any other amount of short-term indebtedness which may not have been covered by this agreement.

I am particularly anxious to know, also, the amount of short-term indebtedness represented by acceptances or notes made in other countries indorsed or guaranteed by the German Government, or German States or financial institutions, and to what amount, if any, such obligations are held in the United States, and by whom.

In other words, I am asking you for full and complete information relative to the financial situation of Germany as affected by this moratorium, and I would also like you to include, if possible, the entire debt which the German Government or her States and political subdivisions or her people owe to this country or any other country. Your prompt attention to this will oblige.

Respectfully yours,

L. T. McFADDEN.

NOVEMBER 23, 1931.

FEDERAL RESERVE BOARD,
Washington, D. C.

GENTLEMEN: In connection with the consideration that will be given by the coming session of Congress to the Hoover moratorium, I shall be pleased if you will advise me the total amount and character of all short-term German indebtedness which is now in the United States and by whom held and the amounts. I should like this to include not only direct borrowings between banks, banking or acceptance houses on the part of the Germans or any of their institutions but also any obligations indorsed or

otherwise guaranteed by the German Government or any company or banking institution or individuals in or outside of Germany—in other words, to show the entire situation of German short-term indebtedness, together with any agreements as to extension or payments, or any acceptances or other obligations now held by Federal reserve banks taken through any foreign acceptance house or banks.

I should also like to have particularly identified a list of the names of the holders, and the amounts held by each, of the short-term indebtedness in the United States covered by the American and English extension agreement which runs until February, 1932.

I should also like a statement of all loans or credits established by the 12 Federal reserve banks to other central banks or the Bank for International Settlements, and the character of such loans or credits and in each instance how secured, and the total itemized amounts now unpaid.

Also, please advise me what commitments on the part of the Federal reserve banks or the Federal Reserve Board are outstanding relating to loans, credits, or gold; also, whether or not any agreement or understanding exists at the present time with any of the central banks or their governments, including the Bank for International Settlements, in regard to changes of discount rates or gold movements.

I should also like to be informed as to what amount, if any, of the so-called short-term German, English, or Russian acceptances were held at the time of the moratorium, or are now held by any of the 12 Federal reserve banks and the amount so held by each bank, and please state whether such banks procured these acceptances by direct purchase or through rediscount for member banks.

Also, please advise the amount of money the Federal reserve banks now have on deposit with the Bank for International Settlements and what amount, if any, of paper the Federal reserve now holds taken from the Bank for International Settlements, or any other agreements upon which the Federal reserve banks are bound in any manner whatsoever.

If any amount of these German, English, or Russian acceptances were, on the date of the moratorium, or are now, held by the Federal reserve banks, what amounts of each are held by any of the Federal reserve agents as security for outstanding Federal reserve notes?

Very truly yours,

L. T. McFADDEN.

NOVEMBER 30, 1931.

FEDERAL RESERVE BOARD,
Washington, D. C.

GENTLEMEN: In connection with the consideration that is about to be given to the Hoover moratorium I desire you to advise me what amount of short-term indebtedness, acceptances or otherwise, is held by the 12 Federal reserve banks or member banks originating or in any way guaranteed or issued by Austria or any of her institutions, thus enabling me to know the amount of short-term Austrian debts held in the United States.

Awaiting your reply, I remain, sincerely yours,

L. T. McFADDEN.

Mr. RAINEY. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. LOZIER, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the President's message and had come to no resolution thereon.

ORDER OF BUSINESS

Mr. SNELL. Mr. Speaker, the special committee on the District of Columbia are filing their report to-day or to-morrow. They would like to have a little time to explain the report to the House before it is taken up in the House. If it is agreeable to the gentleman from Illinois [Mr. RAINEY], I wish we could arrange to give them from 40 to 60 minutes to-morrow.

Mr. RAINEY. That would be entirely satisfactory. At what time?

Mr. SNELL. I think perhaps the first thing.

The SPEAKER. The Chair has not seen that report, but he is under the impression that it would be a matter to be considered in the Committee of the Whole House on the state of the Union.

Mr. SNELL. They want to make an explanation of the resolution they are going to introduce in advance of its introduction.

Mr. RAINEY. And not consider the report?

Mr. SNELL. No.

SIXTEENTH SESSION, INTERNATIONAL GEOLOGICAL CONGRESS

The SPEAKER laid before the House the following message from the President of the United States, which was read,

and, with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I commend to the favorable consideration of the Congress the inclosed report from the Secretary of State, to the end that legislation may be enacted to authorize an appropriation of \$85,000 for the expenses of the Sixteenth Session of the International Geological Congress to be held in the United States in 1933.

HERBERT HOOVER.

THE WHITE HOUSE,
Washington, December 14, 1931.

SUPREME COURT, PHILIPPINE ISLANDS

The SPEAKER also laid before the House the following message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Insular Affairs:

To the Congress of the United States:

I transmit herewith two related bills enacted by the Eighth Philippine Legislature during its second session and approved by the Governor General of the Philippine Islands. They are:

S. No. 261. "An act defining the jurisdiction of the Supreme Court of the Philippine Islands, creating a court of appeals and defining its jurisdiction, and providing for other purposes"; and

S. No. 155. "An act concerning the judiciary; making provision regarding the court of appeals created by act entitled 'An act defining the jurisdiction of the Supreme Court of the Philippine Islands, creating a court of appeals and defining its jurisdiction, and for other purposes'; providing appropriation for said court of appeals; applying the provisions of certain sections of the revised administrative code to said court of appeals, and for other purposes."

Briefly, the purpose of the two acts was to relieve congestion in the work of the Supreme Court of the Philippine Islands by the creation of an intermediate court of appeals between the Courts of First Instance and the Supreme Court of the Philippine Islands.

Act S. No. 261 purports to diminish the present jurisdiction of the Supreme Court of the Philippine Islands through transfer of certain of that jurisdiction to the proposed court of appeals. Under section 26 of the organic act of the Philippine Islands the act can not take effect without the prior approval of Congress.

The related act, S. No. 155, provides for the organization of the proposed court of appeals if and when authorized by Congress. It contemplated no express approval by Congress of its provisions.

The acts in question are transmitted as indicative of the form and substance of legislation which at the time of the passage of the acts by the Philippine Legislature was deemed advisable by that body. Subsequent, however, to the passage of these acts the Philippine Legislature passed legislation relative to the Supreme Court of the Philippine Islands, which received the approval of the Governor General and which does not require action by the Congress. That legislation (Act No. 3816, December 8, 1930) authorized an increase in the personnel of the supreme court, the jurisdiction of the court remaining unchanged.

It is believed that existing legislation affords adequate provision for meeting present needs. It is accordingly recommended that neither Act S. No. 261 nor Act S. No. 155 receive the approval of Congress.

HERBERT HOOVER.

THE WHITE HOUSE, December 14, 1931.

ADJOURNMENT

Mr. RAINEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 36 minutes p. m.) the House adjourned to meet tomorrow, Tuesday, December 15, 1931, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

245. A letter from the Secretary of War, transmitting a draft of a bill to provide appropriate military records for persons who, pursuant to orders, reported for military duty but whose induction into the service was, through no fault of their own, not formally completed on or prior to November 30, 1918; to the Committee on Military Affairs.

246. A letter from the Secretary of War, transmitting a draft of a bill to authorize the Secretary of War to exchange obsolete surplus, deteriorated or unserviceable supplies on equipment for new supplies or equipment of the same general character; to the Committee on Military Affairs.

247. A communication from the President of the United States, transmitting deficiency and supplemental estimates of appropriations for the fiscal year 1932 and prior years for the legislative establishment, certain executive departments, and independent establishments and the District of Columbia, amounting in all to \$136,352,420.77 (H. Doc. No. 169); to the Committee on Appropriations and ordered to be printed.

248. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of South Edisto River, S. C.; to the Committee on Rivers and Harbors.

249. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Wacissa River, Fla.; to the Committee on Rivers and Harbors.

250. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Urbanna Creek, Middlesex County, Va.; to the Committee on Rivers and Harbors.

251. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Thunderbolt Harbor and the inland waterway between Thunderbolt and Oglethorpe Hotel; to the Committee on Rivers and Harbors.

252. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Woods Hole Channel, Mass.; to the Committee on Rivers and Harbors.

253. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Yantic River, Conn.; to the Committee on Rivers and Harbors.

254. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Three Mile Creek, Ala.; to the Committee on Rivers and Harbors.

255. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Tombigbee River, Miss.; to the Committee on Rivers and Harbors.

256. A letter from the Secretary of the Interior, transmitting a statement submitted by the Director of the Geological Survey in compliance with the act of May 10, 1926 (44 Stat. 1487); to the Committee on Indian Affairs.

257. A letter from the Librarian of Congress, transmitting annual report as Librarian of Congress, together with that of the Register of Copyrights, for the fiscal year ending June 30, 1931; to the Committee on the Library.

258. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on Skunk River, Iowa, covering navigation, power development, and irrigation; and also its effects upon the lower Mississippi River with regard to flood control (H. Doc. No. 170); to the Committee on Rivers and Harbors and ordered to be printed with illustrations.

259. A letter from the Secretary of War, transmitting report from the Chief of Engineers, United States Army, on the Chippewa River, Wis., covering navigation, flood control, power development, and irrigation (H. Doc. No. 171);

to the Committee on Rivers and Harbors and ordered to be printed with illustrations.

260. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Bayou Yscloskey (Ysclosky), La.; to the Committee on Rivers and Harbors.

261. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination and survey of Lake Charles Deep Water Channel, La., with a view to maintaining said channel to its enlarged dimensions and to reporting the amount of contributions in land and money heretofore furnished by local interests for such waterway (H. Doc. No. 172); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

262. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of channel from Palacios, Tex., and the Texas National Guard Camp through Tres Palacios and Matagorda Bays to a connection with the Intracoastal Waterway; to the Committee on Rivers and Harbors.

263. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of the Combahee and Big Salkehatchie Rivers, S. C.; to the Committee on Rivers and Harbors.

264. A letter from the Secretary of War, transmitting a report from the Chief of Engineers, United States Army, on preliminary examination of Pithlachascotee River, Fla.; to the Committee on Rivers and Harbors.

265. A letter from the Secretary of War, transmitting a draft of a bill to provide for the care and maintenance of the Guilford Courthouse National Military Park; to the Committee on Military Affairs.

266. A letter from the Secretary of War, transmitting a draft of a bill to authorize the construction of a sea wall at Fort Randolph, Panama Canal; to the Committee on Military Affairs.

267. A letter from the Secretary of War, transmitting a draft of a bill to authorize certain funds heretofore appropriated for certain construction at military posts to be made available for certain other construction at the same posts; to the Committee on Military Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of Rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BACON: A bill (H. R. 5596) to provide for the regulation of common carriers by motor vehicle in the same manner as common carriers by railroad; to the Committee on Interstate and Foreign Commerce.

By Mr. BECK: A bill (H. R. 5597) to amend the national prohibition act, as supplemented, in respect of the definition of intoxicating liquor; to the Committee on the Judiciary.

By Mr. CLANCY: A bill (H. R. 5598) to extend the time in which applications may be made for the benefits of the disabled emergency officers' retirement act of May 24, 1928; to the Committee on World War Veterans' Legislation.

By Mr. CONDON: A bill (H. R. 5599) to amend section 32 (a) of the act of March 2, 1929, entitled "An act to supplement the naturalization laws, and for other purposes"; to the Committee on Immigration and Naturalization.

By Mr. EATON of New Jersey: A bill (H. R. 5600) to provide for the commemoration of Middlebrook Heights, near Bound Brook, N. J., where George Washington was in camp at the time of the adoption of the United States flag by Congress, June 14, 1777; to the Committee on Military Affairs.

By Mr. GOSS: A bill (H. R. 5601) to provide for placing certain educational orders to familiarize private manufacturing establishments with the production of certain ordnance and to provide for manufacture of certain ordnance by Government-owned arsenals; to the Committee on Military Affairs.

By Mr. JAMES: A bill (H. R. 5602) to authorize the acquisition for military purposes of land in Virginia for use as an addition to Langley Field, and for other purposes; to the Committee on Military Affairs.

By Mr. KNUTSON: A bill (H. R. 5603) to authorize the conveyance by the United States to the State of Minnesota of lot 4, section 18, Township 131 north, range 29 west, in the county of Morrison, Minn.; to the Committee on the Public Lands.

By Mr. OVERTON: A bill (H. R. 5604) to provide for the commemoration of the military historic events which occurred at Alexandria, in the State of Louisiana; to the Committee on Military Affairs.

By Mr. WICKERSHAM: A bill (H. R. 5605) authorizing the Tlingit and Haida Indians of Alaska to bring suit in the United States Court of Claims and conferring jurisdiction upon said court to hear, examine, adjudicate, and enter judgment upon any and all claims which said Indians may have or claim to have against the United States, and for other purposes; to the Committee on Indian Affairs.

By Mr. BANKHEAD: A bill (H. R. 5606) relating to loans to veterans upon their adjusted-service certificates; to the Committee on Ways and Means.

By Mr. BOLAND: A bill (H. R. 5607) to authorize the erection of a United States Veterans' Bureau hospital in Lackawanna County, Pa.; to the Committee on World War Veterans' Legislation.

Also, a bill (H. R. 5608) to amend the national prohibition act; to the Committee on the Judiciary.

By Mr. FULBRIGHT: A bill (H. R. 5609) to amend the act entitled "An act for the control of floods on the Mississippi River and its tributaries, and for other purposes," approved May 15, 1928; to the Committee on Flood Control.

By Mr. FULMER: A bill (H. R. 5610) to provide for the commemoration of the Battle of Eutaw Springs, in the State of South Carolina; to the Committee on Military Affairs.

Also, a bill (H. R. 5611) to provide for the commemoration of the Battle of Clouds Creek, in the State of South Carolina; to the Committee on Military Affairs.

Also, a bill (H. R. 5612) to limit the purchases of the Post Office Department, so far as possible, to articles of the growth, production, or manufacture of the United States; to the Committee on the Post Office and Post Roads.

By Mr. HOPE: A bill (H. R. 5613) relating to the sale and disposition of wheat held by the Wheat Stabilization Corporation; to the Committee on Agriculture.

By Mr. JOHNSON of Missouri: A bill (H. R. 5614) providing for the purchase of a site and erection of a public building at Slater, Mo.; to the Committee on Public Buildings and Grounds.

By Mr. JOHNSON of Oklahoma: A bill (H. R. 5615) to authorize the expenditure of \$40,000 to construct a fireproof gymnasium-auditorium addition to school building, and other repairs and equipment at the Riverside Indian school; to the Committee on Indian Affairs.

Also, a bill (H. R. 5616) to authorize the expenditure of \$25,000 for nurses' home and equipment at the Fort Sill Indian hospital, at Lawton, Okla.; to the Committee on Indian Affairs.

Also, a bill (H. R. 5617) to authorize the expenditure of \$40,000 for a fireproof gymnasium-auditorium, a shop building, and for other repairs and equipment, at the Fort Sill Indian school, Lawton, Okla.; to the Committee on Indian Affairs.

By Mr. MAAS: A bill (H. R. 5618) to provide a judicial method of trying charges against postal employees; to the Committee on the Post Office and Post Roads.

By Mr. MARTIN of Massachusetts: A bill (H. R. 5619) to authorize the erection of a United States veterans' hospital in southeastern Massachusetts or Rhode Island and to authorize an appropriation therefor; to the Committee on World War Veterans' Legislation.

By Mr. NELSON of Missouri: A bill (H. R. 5620) to provide for the commemoration of the Battle of Boonville in the State of Missouri; to the Committee on Military Affairs.

By Mr. PARKER of New York: A bill (H. R. 5621) to amend the trading with the enemy act, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. RICH: A bill (H. R. 5622) to provide for disposing of the Muscle Shoals properties of the United States; to the Committee on Military Affairs.

By Mr. TINKHAM: A bill (H. R. 5623) to confer certain additional powers upon the Federal Trade Commission, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WHITE: A bill (H. R. 5624) to amend the national prohibition act, as amended and supplemented; to the Committee on the Judiciary.

By Mr. BLAND: A bill (H. R. 5625) to provide for the construction of a bridge over the Rappahannock River as a memorial to President Madison; to the Committee on Interstate and Foreign Commerce.

By Mr. SELVIG: A bill (H. R. 5626) authorizing the States of Minnesota and North Dakota, the county of Polk, Minn., the county of Grand Forks, N. Dak., or any one or more of them, to construct, maintain, and operate a free highway bridge across the Red River of the North, at or near Bygland, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. FISH: A bill (H. R. 5627) for the creation of a national park to be known as Temple Hill National Park, in the town of New Windsor, Orange County, N. Y.; to the Committee on Military Affairs.

By Mr. JAMES: A bill (H. R. 5628) to authorize appropriations for construction of buildings, utilities, and appurtenances at Maxwell Field, Ala.; to the Committee on Military Affairs.

Also, a bill (H. R. 5629) to authorize appropriations for construction of buildings, utilities, and appurtenances, and for other purposes, at Fort Leavenworth, Kans.; to the Committee on Military Affairs.

Also, a bill (H. R. 5630) to authorize appropriations for construction of buildings, utilities, and appurtenances thereto, and for other purposes, at Marshall Field, Kans.; to the Committee on Military Affairs.

Also, a bill (H. R. 5631) to authorize appropriations for construction of buildings, utilities, and appurtenances thereto at Crissy Field, Calif.; to the Committee on Military Affairs.

Also, a bill (H. R. 5632) to authorize appropriations for construction and for other purposes at Post Field, Okla.; to the Committee on Military Affairs.

Also, a bill (H. R. 5633) to authorize appropriations for construction of buildings, utilities, and appurtenances thereto at Selfridge Field, Mich.; to the Committee on Military Affairs.

By Mr. SEGER: A bill (H. R. 5634) to reduce the rate of interest on loans upon adjusted-service certificates, to provide that such loans may be made immediately after issuance of such certificates, and to provide for the payment of the face value of such certificates to permanently disabled veterans; to the Committee on Ways and Means.

By Mr. BARBOUR: A bill (H. R. 5635) to regulate commerce between the United States and foreign countries in crude petroleum and fuel oil and all distillates obtained from petroleum, including kerosene, benzine, naphtha, gasoline, paraffin, and paraffin oil; to the Committee on Ways and Means.

By Mr. FREE: A bill (H. R. 5636) to amend section 2 of an act entitled "An act to promote the welfare of American seamen in the merchant marine of the United States, to abolish arrest and imprisonment as a penalty for desertion, and to secure the abrogation of treaty provisions in relation thereto and to promote safety at sea"; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 5637) to amend section 4530 of the Revised Statutes of the United States; to the Committee on the Merchant Marine and Fisheries.

Also, a bill (H. R. 5638) authorizing pursers or agents of vessels of the United States to perform the duties of the

masters of such vessels in relation to entrance and clearance of same in customs-collection districts of the United States; to the Committee on the Merchant Marine and Fisheries.

By Mr. GRANFIELD: A bill (H. R. 5639) to amend the World War veterans' act, 1924, as amended, by providing allowances for widows and children and dependent parents of veterans of the World War; to the Committee on World War Veterans' Legislation.

By Mr. HAUGEN: A bill (H. R. 5640) to amend an act entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes," approved June 30, 1906, as amended; to the Committee on Agriculture.

Also, a bill (H. R. 5641) to amend the filled milk act; to the Committee on Agriculture.

Also, a bill (H. R. 5642) to authorize and direct the transfer of Widows Island, Me., by the Secretary of the Navy to the Secretary of Agriculture for administration as a migratory-bird refuge; to the Committee on Agriculture.

By Mr. JOHNSON of Washington: a bill (H. R. 5643) to construct a public building for a post office at the city of South Bend, Wash.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5644) to construct a public building for a post office at the city of Raymond, Wash.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5645) to construct a public building for a post office at the city of Centralia, Wash.; to the Committee on Public Buildings and Grounds.

By Mr. KELLY of Pennsylvania: A bill (H. R. 5646) to authorize the construction of buildings for certain post offices, and for other purposes; to the Committee on Public Buildings and Grounds.

By Mr. LAGUARDIA: A bill (H. R. 5647) to prohibit bands and musicians of the United States Navy from furnishing music on any occasion beyond the scope of their naval duties; to the Committee on Naval Affairs.

By Mr. LEAVITT: A bill (H. R. 5648) authorizing transfer of an unused portion of the United States Range Livestock Experiment Station, Montana, to the State of Montana for use as a fish-cultural station, game reserve, and public recreation ground, and for other purposes; to the Committee on Agriculture.

Also, a bill (H. R. 5649) to extend the life of "An act to permit a compact or agreement between the States of Washington, Idaho, Oregon, and Montana respecting the disposition and apportionment of the waters of the Columbia River and its tributaries, and for other purposes"; to the Committee on Irrigation and Reclamation.

By Mrs. NORTON of New Jersey: A bill (H. R. 5650) to provide for the opening and closing of roads within the boundaries of the District of Columbia workhouse property at Occoquan, Fairfax County, Va.; to the Committee on the District of Columbia.

Also, a bill (H. R. 5651) to amend chapter 15 of the Code of Law for the District of Columbia, relative to the condemnation of land for public use; to the Committee on the District of Columbia.

Also, a bill (H. R. 5652) to authorize the assessor of the District of Columbia to testify in condemnation proceedings; to the Committee on the District of Columbia.

Also, a bill (H. R. 5653) to authorize pay patients to be admitted to the contagious-disease ward of the Gallinger Municipal Hospital; to the Committee on the District of Columbia.

By Mr. PATTERSON: A bill (H. R. 5654) to provide for the commemoration of Fort Jackson (Fort Toulouse), in the State of Alabama; to the Committee on Military Affairs.

By Mr. SHOTT: A bill (H. R. 5655) to provide for cooperation with the several States and Territories in the physical rehabilitation, education, vocational guidance, and vocational education of physically handicapped children and their placement and follow-up in employment, and for other purposes; to the Committee on Education.

By Mr. VESTAL (by request): A bill (H. R. 5656) to extend the patent system to promote science and useful arts; to the Committee on Patents.

By Mr. COCHRAN of Missouri: A bill (H. R. 5657) forbidding the transportation of any person or persons in interstate or foreign commerce, kidnapped or otherwise unlawfully detained; to the Committee on the Judiciary.

By Mr. DISNEY: A bill (H. R. 5658) to provide for a duty on mineral oils; to the Committee on Ways and Means.

By Mr. FISH: A bill (H. R. 5659) authorizing the Department of Justice to investigate revolutionary propaganda and communist activities in the United States; to the Committee on the Judiciary.

By Mr. LONERGAN: A bill (H. R. 5660) to provide for a 5-day work week for Federal employees without any decrease in present salaries; to the Committee on the Civil Service.

By Mr. SMITH of Idaho: A bill (H. R. 5661) to provide for the retirement of officers and employees of the legislative branch of the Government, and for other purposes; to the Committee on Accounts.

By Mr. STEAGALL: A bill (H. R. 5662) to amend the Federal farm loan act by providing for the extension of payments on mortgages; to the Committee on Banking and Currency.

By Mr. BANKHEAD: Resolution (H. Res. 55) to authorize the procurement of a marble bust of Oscar W. Underwood, late a Representative from the State of Alabama; to the Committee on Accounts.

By Mr. GARBER: Resolution (H. Res. 56) providing for an investigation of the activities and operations of the Federal Farm Board; to the Committee on Rules.

By Mr. SABATH: Resolution (H. Res. 57) to appoint a select committee to investigate the short selling of stocks on stock exchanges; to the Committee on Rules.

By Mr. SIROVICH: Resolution (H. Res. 58) appointing a committee of seven to investigate the prohibition bureau in the city of New York; to the Committee on Rules.

By Mr. RAYBURN: Resolution (H. Res. 59) to investigate the ownership and control of stock, securities, or capital interests in any public-utility corporation engaged in the transportation of persons or sale of property, energy, or intelligence in interstate or foreign commerce by holding companies, etc.; to the Committee on Rules.

By Mr. GREEN: Resolution (H. Res. 60) authorizing the appointment of assistant clerk to the Committee on Disposition of Useless Executive Papers; to the Committee on Accounts.

By Mr. BECK: Joint resolution (H. J. Res. 121) to provide for the erection of a suitable memorial to the memory of Comte de Grasse; to the Committee on the Library.

Also (by request), joint resolution (H. J. Res. 122) to provide for clarifying and reorganizing the accounts of the Panama Canal; to the Committee on Interstate and Foreign Commerce.

By Mr. COLLIER (by request of the Treasury Department): Joint resolution (H. J. Res. 123) to authorize the postponement of amounts payable to the United States from foreign governments during the fiscal year 1932 and their repayment over a 10-year period beginning July 1, 1933; to the Committee on Ways and Means.

By Mr. CARTER of California: Joint resolution (H. J. Res. 124) to create the transcontinental highway commission, and for other purposes; to the Committee on Roads.

By Mr. FULBRIGHT: Joint resolution (H. J. Res. 125) forbidding any official of any Federal land bank in foreclosure proceedings from issuing judgment on foreclosure until 12 months after date of such judgment; to the Committee on Banking and Currency.

By Mr. MEAD: Joint resolution (H. J. Res. 126) authorizing the issuance of a special postage stamp in honor of Brig. Gen. Thaddeus Kosciuszko; to the Committee on the Post Office and Post Roads.

Also, joint resolution (H. J. Res. 127) directing the President of the United States of America to proclaim October 11

of each year General Pulaski's memorial day for the observance and commemoration of the death of Brig. Gen. Casimir Pulaski; to the Committee on the Judiciary.

By Mr. TILSON: Joint resolution (H. J. Res. 128) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. JOHNSON of Washington: Joint resolution (H. J. Res. 129) providing for the filling of vacancies in the Board of Regents of the Smithsonian Institution of the class other than Members of Congress; to the Committee on the Library.

MEMORIALS

Under clause 3 of Rule XXII, memorials were presented and referred as follows:

Memorial of the State Legislature of the State of New Jersey, memorializing the Congress of the United States to appropriate a sufficient sum of money to construct a ship canal across the State of New Jersey from Raritan Bay to the Delaware River at a point near the head of navigation, upon a right of way to be furnished by the State of New Jersey; to the Committee on Rivers and Harbors.

By Mr. EATON of Colorado: Memorial of the Twenty-eighth General Assembly of the State of Colorado, urging the setting apart of the Sand Dunes in Colorado as a national park or monument; to the Committee on the Public Lands.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADKINS: A bill (H. R. 5663) granting a pension to Catherine E. Burke; to the Committee on Pensions.

Also, a bill (H. R. 5664) granting an increase of pension to Charlotte C. Hay; to the Committee on Invalid Pensions.

By Mr. BACHARACH: A bill (H. R. 5665) granting an increase of pension to Cora C. Cheever; to the Committee on Pensions.

By Mr. BECK: A bill (H. R. 5666) granting a pension to Timothy A. Linehan; to the Committee on Pensions.

Also, a bill (H. R. 5667) for the relief of Michael Baldino; to the Committee on Claims.

By Mr. BLAND: A bill (H. R. 5668) to provide for a survey of Winter Harbor, Mathews County, Va., with a view to its improvement for sanitary reasons; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 5669) to confer jurisdiction upon the Court of Claims to hear and determine the claim of the legal representatives of Henry H. Sibley, deceased; to the Committee on War Claims.

By Mr. BOLTON: A bill (H. R. 5670) granting a pension to Narcissus Ammons Griggs; to the Committee on Pensions.

By Mr. BOYLAN: A bill (H. R. 5671) for the relief of Francis Stephen Smith; to the Committee on Naval Affairs.

By Mr. BRUNNER: A bill (H. R. 5672) granting a pension to Lena Margraffe; to the Committee on Invalid Pensions.

By Mr. BOEHNE: A bill (H. R. 5673) for the relief of Lieut. P. A. Haas; to the Committee on Naval Affairs.

By Mr. BRAND of Georgia: A bill (H. R. 5674) for the relief of the heirs-at-law of Antoine Poullain, deceased; to the Committee on War Claims.

By Mr. BOWMAN: A bill (H. R. 5675) granting an increase of pension to Margaret Michaels; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5676) granting a pension to William F. Helms; to the Committee on Invalid Pensions.

By Mr. BURDICK: A bill (H. R. 5677) for the relief of Thomas Connors; to the Committee on Military Affairs.

Also, a bill (H. R. 5678) granting a pension to Emma S. Boutwell; to the Committee on Pensions.

By Mr. CANNON: A bill (H. R. 5679) granting a pension to Louisa E. Gardner; to the Committee on Invalid Pensions.

By Mr. CANFIELD: A bill (H. R. 5680) granting a pension to Frank D. Clegg; to the Committee on Invalid Pensions.

By Mr. COCHRAN of Missouri: A bill (H. R. 5681) granting an increase of pension to Viola Schaub; to the Committee on Invalid Pensions.

By Mr. CAMPBELL of Pennsylvania: A bill (H. R. 5682) for the relief of Miles Thomas Barrett; to the Committee on Claims.

By Mr. CARDEN: A bill (H. R. 5683) granting a pension to Mattie Bumgardner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5684) granting a pension to Annie Peterson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5685) granting an increase of pension to Sallie Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5686) granting a pension to Mary Miller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5687) granting an increase of pension to Mariah Buchanan; to the Committee on Invalid Pensions.

By Mr. CARLEY: A bill (H. R. 5688) for the relief of the Union Ferry Co., of New York and Brooklyn, owners of the ferryboat *Montauk*; to the Committee on Claims.

By Mr. COYLE: A bill (H. R. 5689) granting an increase of pension to Mary E. Benner; to the Committee on Invalid Pensions.

By Mr. CONDON: A bill (H. R. 5690) for the relief of Charles B. Malpas; to the Committee on Claims.

By Mr. CRAWL: A bill (H. R. 5691) granting an increase of pension to Ella M. Colibert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5692) for the relief of Russell H. Doak; to the Committee on Military Affairs.

Also, a bill (H. R. 5693) granting a pension to Nannette F. Barnes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5694) granting a pension to Lucille B. Walley; to the Committee on Pensions.

Also, a bill (H. R. 5695) for the relief of Samuel S. Knox; to the Committee on Military Affairs.

Also, a bill (H. R. 5696) for the relief of Arthur Layrer; to the Committee on Military Affairs.

By Mr. CROWTHER: A bill (H. R. 5697) granting a pension to Elizabeth Johnson; to the Committee on Pensions.

By Mr. DISNEY: A bill (H. R. 5698) granting a pension to Sarah Hammons; to the Committee on Invalid Pensions.

By Mr. DOMINICK: A bill (H. R. 5699) granting a pension to Paul T. King; to the Committee on Pensions.

By Mr. EATON of New Jersey: A bill (H. R. 5700) providing for the examination and survey of the Delaware River between Philadelphia, Pa., and Trenton, N. J.; to the Committee on Rivers and Harbors.

By Mr. EATON of Colorado: A bill (H. R. 5701) granting an increase of pension to Kate M. Kirby; to the Committee on Invalid Pensions.

By Mr. FIESINGER: A bill (H. R. 5702) for the relief of Nancy Finnigan, widow of John Finnigan, alias John Cooney; to the Committee on Military Affairs.

Also, a bill (H. R. 5703) granting an increase of pension to Amanda Hess; to the Committee on Invalid Pensions.

By Mr. FISH: A bill (H. R. 5704) authorizing the Secretary of War, under the direction of the President, to order Joseph E. Myers, major, United States Army, retired, before a retiring board for a rehearing of his case and upon the findings of such board either confirm his retirement under the provisions of section 24-b, act of Congress of June 4, 1920, or place him on the retired list as provided by section 1251 of the Revised Statutes for disability incurred in line of duty; to the Committee on Military Affairs.

Also, a bill (H. R. 5705) granting an increase of pension to Ellen V. Gillson; to the Committee on Invalid Pensions.

By Mr. FULBRIGHT: A bill (H. R. 5706) for the relief of Myrtle Anderson; to the Committee on Claims.

By Mr. FULMER: A bill (H. R. 5707) for the relief of Mrs. James W. Goodwin; to the Committee on Claims.

By Mr. GAMBRILL: A bill (H. R. 5708) to extend the benefits of the United States employees' compensation act

of September 7, 1916, to Washington Parker, a former employee of the United States Naval Academy Dairy Farm, Gambrills, Md.; to the Committee on Claims.

Also, a bill (H. R. 5709) granting an increase of pension to Edward Jacob Stewart; to the Committee on Pensions.

Also, a bill (H. R. 5710) for the relief of John D. Butler to appeal from the decision of the Commissioner of Patents relative to a medical compound; to the Committee on Patents.

By Mr. GARNER: A bill (H. R. 5711) granting a pension to Henry W. Baylor; to the Committee on Pensions.

Also, a bill (H. R. 5712) granting a pension to James Whitecotton; to the Committee on Pensions.

Also, a bill (H. R. 5713) granting an increase of pension to Wyatt E. Heard; to the Committee on Pensions.

Also, a bill (H. R. 5714) granting an increase of pension to George W. Baylor; to the Committee on Pensions.

Also, a bill (H. R. 5715) granting an increase of pension to Sidney J. Baylor; to the Committee on Pensions.

Also, a bill (H. R. 5716) granting an increase of pension to members of Troop G, First Texas Volunteer Cavalry (commonly known as Montell Guards); to the Committee on Pensions.

By Mr. GARRETT: A bill (H. R. 5717) for the relief of William M. Bartlett; to the Committee on Claims.

By Mr. GREENWOOD: A bill (H. R. 5718) granting a pension to Hugh Alexander; to the Committee on Pensions.

Also, a bill (H. R. 5719) granting an increase of pension to Catherine Meyers; to the Committee on Invalid Pensions.

By Mr. GIFFORD: A bill (H. R. 5720) for the relief of Ward A. Jefferson; to the Committee on Claims.

By Mr. GRANFIELD: A bill (H. R. 5721) granting a pension to Peter Koutsaymanes; to the Committee on World War Veterans' Legislation.

By Mr. HARTLEY: A bill (H. R. 5722) granting an increase of pension to Josephine Bell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5723) granting a pension to Mary H. Wright; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 5724) granting a pension to Lina Buckley; to the Committee on Invalid Pensions.

By Mr. HESS: A bill (H. R. 5725) for the relief of Albert King; to the Committee on World War Veterans' Legislation.

By Mr. HILL of Alabama: A bill (H. R. 5726) for the relief of Warren F. Avery; to the Committee on Military Affairs.

By Mr. HILL of Washington: A bill (H. R. 5727) for the relief of certain tribes or bands of Indians in Washington, Idaho, and Montana; to the Committee on Indian Affairs.

By Mr. HOGG of Indiana: A bill (H. R. 5728) granting an increase of pension to Margaret C. Louthan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5729) granting an increase of pension to Margaret A. Secrist; to the Committee on Invalid Pensions.

By Mr. HOPKINS: A bill (H. R. 5730) granting an increase of pension to Sarah C. Friend; to the Committee on Invalid Pensions.

By Mr. JAMES: A bill (H. R. 5731) prescribing a rate of retired pay for an Army officer of outstanding service; to the Committee on Military Affairs.

By Mr. JOHNSON of Illinois: A bill (H. R. 5732) granting an increase of pension to Martha C. Howe; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Missouri: A bill (H. R. 5733) granting a pension to George E. Sandbach; to the Committee on Pensions.

By Mr. KELLY of Illinois: A bill (H. R. 5734) for the relief of Jackson A. Smith; to the Committee on Military Affairs.

By Mr. KNIFFIN: A bill (H. R. 5735) granting a pension to Myrtle Oldfield; to the Committee on Invalid Pensions.

By Mr. KURTZ: A bill (H. R. 5736) granting an increase of pension to Elizabeth Koontz; to the Committee on Invalid Pensions.

By Mr. LAMBERTSON: A bill (H. R. 5737) for the relief of Mike Prkovich; to the Committee on Military Affairs.

Also, a bill (H. R. 5738) for the relief of Stanton & Jones; to the Committee on War Claims.

Also, a bill (H. R. 5739) granting a pension to Merton M. Pennington; to the Committee on Pensions.

Also, a bill (H. R. 5740) for the relief of Mary Bogner; to the Committee on Claims.

By Mr. LAMBETH: A bill (H. R. 5741) granting a pension to Lella Deal; to the Committee on Pensions.

By Mr. LAMNECK: A bill (H. R. 5742) granting an increase of pension to Virginia Bower; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5743) for the relief of William J. Lucks; to the Committee on Claims.

Also, a bill (H. R. 5744) granting an increase of pension to Mary A. Layne; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5745) for the relief of Harry R. Walters; to the Committee on Military Affairs.

Also, a bill (H. R. 5746) granting a pension to Viola E. Mather; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5747) granting an increase of pension to Eleonore Kopp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5748) granting a pension to Alice M. Stites; to the Committee on Invalid Pensions.

By Mr. LEAVITT: A bill (H. R. 5749) for the relief of Moses White Horse (Moses Carlson) of the Fort Peck Indian Reservation; to the Committee on Indian Affairs.

By Mr. McFADDEN: A bill (H. R. 5750) granting a pension to Mary Turk Wilmot; to the Committee on Invalid Pensions.

By Mr. McKEOWN: A bill (H. R. 5751) granting an increase of pension to Irene (or Rena) Tevis; to the Committee on Invalid Pensions.

By Mr. McLEOD: A bill (H. R. 5752) granting an increase of pension to Mary V. Calderwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5753) for the relief of Michael S. Spillane; to the Committee on Military Affairs.

Also, a bill (H. R. 5754) for the relief of Elmer Fritsch, jr.; to the Committee on Naval Affairs.

By Mr. MAJOR: A bill (H. R. 5755) granting an increase of pension to Nancy Young; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5756) granting an increase of pension to Clara C. Berry; to the Committee on Invalid Pensions.

By Mr. MANLOVE: A bill (H. R. 5757) granting an increase of pension to Maggie L. Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5758) granting an increase of pension to Sarah A. Lofton; to the Committee on Invalid Pensions.

By Mr. MILLARD: A bill (H. R. 5759) providing for the examination and survey of Echo Bay Harbor, N. Y.; to the Committee on Rivers and Harbors.

By Mr. MILLIGAN: A bill (H. R. 5760) granting an increase of pension to Delilah Taylor; to the Committee on Invalid Pensions.

By Mr. MOUSER: A bill (H. R. 5761) granting an increase of pension to Louisa Mitchell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5762) granting an increase of pension to Hanah C. Johnson; to the Committee on Invalid Pensions.

By Mr. NOLAN: A bill (H. R. 5763) for the relief of Edwin Lockwood MacLean; to the Committee on Military Affairs.

Also, a bill (H. R. 5764) granting a pension to Katharine May Smith; to the Committee on Pensions.

Also, a bill (H. R. 5765) for the relief of D. E. Tracy; to the Committee on Claims.

Also, a bill (H. R. 5766) granting additional war-risk insurance to Anna Christine Jones; to the Committee on Claims.

Also, a bill (H. R. 5767) for the refund of Federal income and profits taxes erroneously collected; to the Committee on Claims.

By Mrs. NORTON of New Jersey: A bill (H. R. 5768) for the relief of Thomas Kinnane; to the Committee on Naval Affairs.

By Mr. PARKER of Georgia: A bill (H. R. 5769) authorizing the President of the United States to present in the name of Congress a medal of honor to Thomas H. Laird; to the Committee on Naval Affairs.

Also, a bill (H. R. 5770) for the relief of George Tatum; to the Committee on Military Affairs.

By Mr. PARKER of New York: A bill (H. R. 5771) granting an increase of pension to Hattie M. Harris; to the Committee on Pensions.

Also, a bill (H. R. 5772) granting an increase of pension to Alice Ward; to the Committee on Invalid Pensions.

By Mr. PERKINS: A bill (H. R. 5773) for the relief of Walter Northrop; to the Committee on War Claims.

Also, a bill (H. R. 5774) for the relief of Martin-Walsh (Inc.); to the Committee on Claims.

Also, a bill (H. R. 5775) providing for the examination and survey of the Passaic River above the Eighth Street Bridge, Wallington, N. J., to the Passaic Street Bridge, Garfield, N. J.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 5776) granting an increase of pension to Amanda Hoppock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5777) granting compensation to Thomas Peraglia; to the Committee on Claims.

Also, a bill (H. R. 5778) for the relief of George S. Conway; to the Committee on Claims.

By Mr. PERSON: A bill (H. R. 5779) for the relief of Edward H. Cotcher; to the Committee on Military Affairs.

Also, a bill (H. R. 5780) for the relief of Mary Orinski; to the Committee on Claims.

By Mr. REILLY: A bill (H. R. 5781) granting a pension to Wealtha V. Waite; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5782) granting a pension to George Beck; to the Committee on Invalid Pensions.

By Mr. ROBINSON: A bill (H. R. 5783) granting a pension to Ruvira Jerolaman; to the Committee on Invalid Pensions.

By Mrs. ROGERS: A bill (H. R. 5784) granting an increase of pension to Emma Middleton; to the Committee on Invalid Pensions.

By Mr. RUDD: A bill (H. R. 5785) for the relief of Thomas F. Kenney; to the Committee on Claims.

Also, a bill (H. R. 5786) for the relief of Essie Finger; to the Committee on Naval Affairs.

Also, a bill (H. R. 5787) for the relief of George Henry Purnhagen (deceased); to the Committee on Naval Affairs.

By Mr. SEIBERLING: A bill (H. R. 5788) granting an increase of pension to Sarah J. F. Youngker; to the Committee on Invalid Pensions.

By Mr. SHREVE: A bill (H. R. 5789) granting an increase of pension to Mary B. McDonald; to the Committee on Invalid Pensions.

By Mr. SINCLAIR: A bill (H. R. 5790) for the relief of Mary Many Wounds; to the Committee on Indian Affairs.

By Mr. SMITH of Idaho: A bill (H. R. 5791) for the relief of the Lynn Brothers' Benevolent Hospital; to the Committee on Claims.

By Mr. SMITH of Virginia: A bill (H. R. 5792) for the relief of Basil A. Embrey; to the Committee on War Claims.

Also, a bill (H. R. 5793) for the relief of Lawrence A. Jett; to the Committee on Claims.

Also, a bill (H. R. 5794) to extend the benefits of the employers' liability act of September 7, 1916, to Mary Ford Conrad; to the Committee on Claims.

By Mr. SOMERS of New York: A bill (H. R. 5795) to correct the military record of Everett S. Pillion; to the Committee on Military Affairs.

Also, a bill (H. R. 5796) for the relief of Peter Burns; to the Committee on Military Affairs.

By Mr. MALONEY: A bill (H. R. 5797) granting a pension to Edith Chambers Feehan; to the Committee on Pensions.

By Mr. SPENCE: A bill (H. R. 5798) granting a pension to James R. Daniel; to the Committee on Pensions.

Also, a bill (H. R. 5799) granting a pension to Kate F. Phares; to the Committee on Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 5800) granting an increase of pension to Hattie V. Wilson; to the Committee on Invalid Pensions.

By Mr. SWANSON: A bill (H. R. 5801) for the relief of Clyde W. Edwards; to the Committee on Claims.

Also, a bill (H. R. 5802) granting a pension to Anna Agnew; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 5803) granting an increase of pension to Harriet Andres; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5804) granting an increase of pension to Emma E. Sperry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5805) for the relief of Capt. Charles M. Shailer; to the Committee on War Claims.

Also, a bill (H. R. 5806) granting an increase of pension to Gertrude E. Shorey; to the Committee on Invalid Pensions.

By Mr. TINKHAM: A bill (H. R. 5807) granting a pension to Joseph F. Williams; to the Committee on Invalid Pensions.

By Mr. VESTAL: A bill (H. R. 5808) granting an increase of pension to Jane Ault; to the Committee on Invalid Pensions.

By Mr. WASON: A bill (H. R. 5809) for the relief of Ella P. Clark; to the Committee on Claims.

Also, a bill (H. R. 5810) for the relief of Emery Cormier; to the Committee on Patents.

By Mr. WICKERSHAM: A bill (H. R. 5811) for the relief of Ragnor Dahl; to the Committee on Claims.

By Mr. WIGGLESWORTH: A bill (H. R. 5812) granting a pension to Mary Spear; to the Committee on Invalid Pensions.

By Mrs. WINGO: A bill (H. R. 5813) granting a pension to George Leo Haight; to the Committee on Pensions.

Also, a bill (H. R. 5814) granting a pension to Julia Pitts; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5815) granting a pension to Bettie Wood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5816) for the relief of Isaac Pierce; to the Committee on Military Affairs.

Also, a bill (H. R. 5817) for the relief of James M. Ray; to the Committee on Military Affairs.

By Mr. WILLIAMS of Texas: A bill (H. R. 5818) for the relief of Carl C. Baxter; to the Committee on Military Affairs.

Also, a bill (H. R. 5819) granting a pension to J. M. Waide; to the Committee on Pensions.

Also, a bill (H. R. 5820) for the relief of J. H. Wallace; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

122. By Mr. BOHN: Petition of the Knights of Kaleva, Hancock, Mich., for a protective tariff on copper; to the Committee on Ways and Means.

123. By Mr. BRUNNER: Petition of the Association Against the Prohibition Amendment, through its president, Henry H. Curran, submitting it to be the duty of Members of Congress to repeal national bone-dry prohibition; to the Committee on the Judiciary.

124. Also, resolution of Woodhaven Post, No. 118 (Inc.), Woodhaven, N. Y., that Woodhaven Post is in favor of the bill known as the widow's veterans' pension bill and urging support of same by the United States Congress; to the Committee on World War Veterans' Legislation.

125. By Mr. CHIPERFIELD: Petition of American Legion of the Department of Illinois, urging maintenance of adequate Army and Navy; to the Committee on Military Affairs.

126. By Mr. ENGLEBRIGHT: Petition of board of directors of the Orland Unit Water Users' Association, asking

for a 3-year moratorium in the payment of the construction charges and the spreading over a period of 40 years the payments becoming due thereafter; to the Committee on Irrigation and Reclamation.

127. Also, petition of the Los Angeles section, California State Mining Association, asking Congress to initiate an international conference for the purpose of considering and, if possible, securing the stabilization of silver as a metal of ultimate redemption in conjunction with gold at a ratio of not more than 20 ounces of silver to 1 of gold; to the Committee on Mines and Mining.

128. Also, petition of directors Westwood Auto Club, relative to the fireproofing of the national forests; to the Committee on the Public Lands.

129. Also, petition of Sacramento section, American Society of Civil Engineers, asking for sufficient appropriations to carry out the purpose of the Temple Act, Public Law No. 498, Sixty-sixth Congress, February 27, 1925; to the Committee on Appropriations.

130. Also, petition of Federal Employees' Union, No. 1, San Francisco, Calif., through its president, Mr. J. F. Whelan, opposing any decrease in wages of Federal employees; to the Committee on the Civil Service.

131. Also, petition of grand officers of the Grand Parlor of the Native Sons of the Golden West opposing any modification of the present immigration laws; to the Committee on Immigration and Naturalization.

132. By Mr. FULMER: Resolution of farmers, bankers, and business men of Columbia, S. C., relative to the passage of the agricultural marketing act and indorsing the action of the Federal Farm Board; to the Committee on Agriculture.

133. By Mr. GARBER: Letter from R. F. Smith, captain Three hundred and eightieth Infantry, Oklahoma City, Okla., urging appropriations sufficient to train 40,000 reserve officers during the year 1932-33 and protesting against any reduction in military appropriations; to the Committee on Military Affairs.

134. Also, letter from Mrs. G. E. Thomas, Spokane, Wash., urging merit of the Columbia Basin irrigation project; to the Committee on Irrigation and Reclamation.

135. Also, letter from the president and secretary of the Farmers' Educational and Cooperative Union of America, Oklahoma division, expressing opposition to the Federal Farm Board; to the Committee on Agriculture.

136. Also, petition of committee against repeal of the eighteenth amendment, urging opposition to move for resubmission of the eighteenth amendment; to the Committee on the Judiciary.

137. By Mr. HALL of North Dakota: Petition of the county legislative delegation of McLean County, N. Dak., for an emergency appropriation for revetment and riprapping the Missouri River on the west side of the bank in sections 15 and 16 in township 144, north of range 82 and west of the fifth principal meridian; to the Committee on Rivers and Harbors.

138. By Mr. HERR: Petition of the Seattle Chamber of Commerce, advocating a breakwater at Neah Bay, Wash.; to the Committee on Rivers and Harbors.

139. Also, petition of the Skagit County Dairymen's Association, advocating congressional cooperation with the Federal Farm Board; to the Committee on Agriculture.

140. Also, petition of a committee of five of the War Veterans' National Bonus Campaign Organization, of Seattle, Wash., who waited on Mr. HERR on December 10, 1931, together with a list of names of several thousand petitioners; to the Committee on Ways and Means.

141. By Mr. JOHNSON of Texas: Petition of Texas Bar Association, protesting against importation of commodities from Soviet Russia; to the Committee on Ways and Means.

142. By Mr. MEAD: Petition of New York State Federation of Labor, for modification of the Volstead law; to the Committee on the Judiciary.

143. By Mr. MILLARD: Petition by members of the Court of St. Gregory, 675, Catholic Daughters of America, Harri-

son, N. Y., protesting against the passage of the so-called education bill; to the Committee on Education.

144. By Mr. PERSON: Petition of citizens of Detroit, Mich., and vicinity, to enact legislation to curb the activities of the chain-store system; to the Committee on the Judiciary.

145. Also, resolution of Hazel Park Post, No. 25, American Legion, Hazel Park, Mich., urging immediate cash payment at full-face value of adjusted-compensation certificates; to the Committee on Ways and Means.

146. By Mr. RUDD: Petition of New York Board of Trade (Inc.), favoring a sales tax; to the Committee on Ways and Means.

147. By Mr. SINCLAIR: Petition of North Dakota Water and Sewage Works Conference, for legislation that will utilize the flood waters of the Missouri River and others to the fullest extent for the people of the State and Nation; to the Committee on Flood Control.

148. Also, telegram from the William G. Carroll Post, No. 26, of the American Legion, Minot, N. Dak., favoring the immediate cash payment of adjusted-service certificates; to the Committee on Ways and Means.

149. By Mr. SMITH of Idaho: Resolutions adopted by the following organizations indorsing activities of the Federal Farm Board: Franklin County Grain Growers (Inc.), Preston; Ririe Grain Growers (Inc.), Ririe; Gem Valley Grain Growers (Inc.), Grace; Yellowstone Grain Growers (Inc.), Drummond; Camas Prairie Grain Growers (Inc.), Fairfield; Madison County Grain Growers (Inc.), Rexburg; Power County Grain Growers (Inc.), American Falls; and Arimo Grain Growers (Inc.), Arimo, of the State of Idaho; Blue Creek Grain Growers (Inc.), Blue Creek; Central Utah Grain Growers (Inc.), Nephi; and Hansel Valley Grain Growers (Inc.), Hansel Valley, of the State of Utah.

SENATE

TUESDAY, DECEMBER 15, 1931

The Chaplain, Rev. Zebarny T. Phillips, D. D., offered the following prayer:

Almighty God, Father of all mercies, who hast brought us to this hour of serving Thee, we bless and magnify Thy glorious name for all the gracious gifts of Thy bestowal as day by day Thy gentle breath revives for us life's grace and beauty. We thank Thee for the sanctities of home, for those whose love is as a quiet sanctuary of the soul when the ills of life oppress us, for those whose need and sorrow evoke our tender sympathy, our worthiest compassion. Give us, therefore, an understanding heart to discern Thy will, a noble courage to fulfill it, and, crowning all, a joy in service that shall inspire this Nation with a sure and steadfast purpose which shall dissipate all clouds of gloom and fear and point the way once more to our eternal destiny. We ask it in the name of Him who is the desire of nations, Jesus Christ our Lord. Amen.

THE JOURNAL

The Chief Clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. McNARY and by unanimous consent, the further reading was dispensed with and the Journal was approved.

ANNUAL REPORT OF THE COMPTROLLER OF CURRENCY

The VICE PRESIDENT laid before the Senate a communication from the Comptroller of the Currency, transmitting, pursuant to law, his annual report covering the activities of the Currency Bureau for the year ended October 31, 1931, which, with the accompanying report, was referred to the Committee on Banking and Currency.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate the following resolution of the Legislature of Rhode Island, which was referred to the Committee on the Judiciary:

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS, IN GENERAL ASSEMBLY, JANUARY SESSION, A. D. 1931.

Resolution recommending to the Congress of the United States the passage of legislation providing for the repeal of the eighteenth amendment of the Constitution of the United States

Whereas in the year 1637 Roger Williams, the founder of this State, dedicated a Commonwealth to the great idea of liberty and law, and for the first time saw that great idea take an organic form in a civil community and become expressed in a social compact; and

Whereas it has been the fortune of the State of Rhode Island and Providence Plantations, from her first settlement to the present hour, to balance herself between liberty and law and to wage war as occasion might require against those who sought to encroach upon her liberty or those who denied her right of self-government in accordance with her ancient law; and

Whereas in assertion of her right to liberty the general assembly of this State on May 4, 1776, with but six dissenting votes, declared her independence of Great Britain, thus anticipating by two months the Declaration of Independence, and thus daring to stand against tyranny even though, like her great founder, she stood alone; and

Whereas the people of this State have always insisted, and do still insist, that the liberty of a State to control the conduct of its citizens is the most precious possession of a democracy, and that the solution of local problems can come only from experience within the State and can never come from intervention from without; and

Whereas in the course of her history the State of Rhode Island and Providence Plantations attempted to enforce prohibition by law upon her people, and in the year 1886 the legislature of this State voted to submit to the people the following amendment to the constitution of the State:

"The manufacture and sale of intoxicating liquors to be used as a beverage shall be prohibited," this amendment being approved by the people in April, 1887, by a vote of 15,113 to 9,230; and

Whereas so numerous were the violations of this prohibitory law, so general was the defiance of the law by the citizens of this State, so great were the evils which accompanied this prohibitory method, that in January, 1889, the assembly voted that the previous prohibitory amendment should be annulled, and in June the people concurred in their opinion by a vote of 23,315 to 9,956; and

Whereas when the eighteenth amendment to the Constitution of the United States was proposed to the State of Rhode Island and Providence Plantations this State, mindful of its disastrous experience and failure in the effort of this State to enforce prohibition by law and conscious that this amendment was an encroachment by the Federal Government upon the State sovereignty which was the chief concern of those who framed the Constitution, directed its attorney general to test the legality of this amendment as adopted by the legislatures of three-fourths of the States; and

Whereas the State of Rhode Island and Providence Plantations has always refused and does still refuse to ratify and adopt the eighteenth amendment to the Constitution of the United States; and

Whereas the qualified electors of the State of Rhode Island and Providence Plantations at the election held November 4, 1930, by a vote of 171,960 to 47,652 declared against the further retention of the eighteenth amendment to the Constitution of the United States: Therefore be it

Resolved, That the General Assembly of the State of Rhode Island and Providence Plantations does hereby express the will of the people of Rhode Island and of this general assembly that the eighteenth amendment to the Constitution should be repealed, because said amendment is contrary to the purpose and spirit of the Constitution, debasing our fundamental code of political rights and duties by the addition of a legislative fiat of a purely summary nature; because said amendment, which has so greatly abridged and affected the rights and habits of the people of the United States, was not approved by the people of the United States, or by legislatures of the various States elected to vote upon such amendment; because said amendment seeks to enforce prohibition by law rather than to promote temperance by education and self-discipline and attempts an experiment never successful in any country at any time; because said amendment is designed to prevent the personal use of intoxicating liquor, no matter how moderate such use may be, and thereby incurs the resentment of millions of our people who see nothing criminal or immoral in such use; because said amendment and the Volstead Act place the restraining hand of law upon practices that are at most only of doubtful character and sacrifice the wholesome distinctions which for centuries have separated debatable habit from indisputable crime, enact penalties so utterly disproportionate to the offense that they offend the universal sense of justice and thus can not only never be enforced but rather will always be either cunningly evaded or contemptuously ignored; that said amendment and the Volstead Act, running counter to public opinion in certain States, have inspired neither respect for their justice nor fear of their enforcement and because of such lack of respect or fear have resulted in a Saturnalia of crime and corruption fatally injurious to government and morals; and because such amendment creates an irrepressible issue now dividing and destined to further divide